



LPRO: Legislative Policy and Research Office

REGIONAL EDUCATION DELIVERY SERVICES

BACKGROUND BRIEF

An Education Service District (ESD) is an education district that provides regional education services to its component school districts. ESDs exist to provide services to school districts that might be more efficiently performed on a larger scale, such as special education services or technology services. Over the years, ESD responsibilities, names and borders have changed to better meet the demands of the component districts. Today there are 19 ESDs statewide offering services to all 197 school districts in Oregon's 36 counties.

ESDs are overseen by a board of directors elected by voters in the areas ("zones") within the ESD boundary and serve a term of four years. Board members are not paid but are reimbursed for travel. The board hires the ESD superintendent and other staff as needed.

EDUCATION SERVICE DISTRICT (ESD) HISTORY

ESDs were established by the Legislative Assembly in 1961. Throughout the history of Oregon's regional services system, the goals of

local governance and state statutes concerning ESDs have remained constant: assist school districts and the state in achieving Oregon's education goals by providing equitable, high quality, cost-effective and locally responsive educational services at a regional level.

CONTENTS

EDUCATION SERVICE
DISTRICT (ESD) HISTORY

CURRENT ESDS

OPERATION AND SERVICE
OFFERINGS

FUNDING AND
APPORTIONMENT

RECENT LEGISLATIVE
HISTORY

STAFF CONTACT



REGIONAL EDUCATION DELIVERY SERVICES

CURRENT ESDS

ESD Name	County
Clackamas ESD	Clackamas
Columbia Gorge ESD	Wasco
Douglas ESD	Douglas
Grant ESD	Grant
Harney ESD 17	Harney
High Desert ESD	Deschutes
InterMountain ESD	Umatilla
Jefferson ESD	Jefferson
Lake ESD	Lake
Lane ESD	Lane
Linn Benton Lincoln ESD	Linn
Malheur ESD 14	Malheur
Multnomah ESD	Multnomah
North Central ESD	Gilliam
Northwest Regional ESD	Washington
Region 18 ESD	Wallowa
South Coast ESD 7	Coos
Southern Oregon ESD	Jackson
Willamette ESD	Marion

OPERATION AND SERVICE OFFERINGS

ESDs deploy services across multiple school districts, providing the schools in those districts with access to an array of educational programs and services, many of which are too costly or limited in demand for a single location. By coordinating a program or service among multiple districts, ESDs moderate these costs.

The ESD and the school district negotiate the local service plan (“plan”) that lays out what services the ESD will provide. The plan must include services in the areas of special education, technology support and school improvement services. Additional services may be negotiated based upon district need. Local service plans must be approved by two-thirds of its component school districts that have at least a majority of the pupils included within the ESD.

FUNDING AND APPORTIONMENT

ESDs are funded primarily through an allocation from the State School Fund (SSF) formula. By law, ESDs are budgeted 4.5 percent of the total K-12 apportionment. ESDs also receive funding from a variety of other sources, including property taxes, state and federal contracts and grants and state timber receipts. The total allotment for ESDs, including state and local revenues, is approximately \$200 million annually.

Each ESD must spend at least 90 percent of its total SSF funds directly on school district programs or services. The remaining 10 percent is allocated for the operation of the ESD. State contracts, such as Early



REGIONAL EDUCATION DELIVERY SERVICES

Intervention, Early Childhood Special Education and Long-Term Care and Treatment programs, make up another portion of an ESD's budget. In addition, school districts often contract with their ESD for additional services beyond what is provided in the plan.

RECENT LEGISLATIVE HISTORY

Prior to the 2011 Legislative Session, the State School Fund distribution to ESDs was 4.75 percent of the relevant apportionment. In 2011, Senate Bill 250 changed that rate to 4.5 percent with a floor funding of \$1 million. Also, SB 250 allowed school districts to withdraw from specified ESDs: Northwest Regional, Multnomah, Willamette or if the school district was located in Baker County.

In 2013, House Bill 3401 allowed districts in three ESD regions—Northwest Regional ESD, Lane ESD and Columbia Gorge ESD—to request funds normally designated to the ESD-provided services or programs. For the 2014-15 school year, the district can request up to 65 percent of the resolution funds to be passed through by the ESD to the district. The school district may request an additional 10 percent (for a total of 75 percent) if it can provide evidence that the additional amount will be spent on services purchased from other ESDs. For the 2015-16 school year, the amounts are increased to 75 percent and 85 percent, and starting in the 2016-17 school year there are no limits.

The measure also established a work group to explore options for the optimal regional education delivery system and report back to the Legislative Assembly. Senate Bill 1525 (2014) extended the timeline of that work

group, the Regional Education Delivery Systems work group, with a report due to the Legislative Assembly no later than November 20, 2014. The work group recommended that legislation be developed to support the provision of technical services on a pilot basis to assist public education entities in their quest to develop the most efficient and effective administrative operations possible.

Senate Bill 529 (2013) allowed any component school district to withdraw from its ESD. The measure also made permanent the new governance structure for the Willamette ESD, High Desert ESD and Northwest Regional ESD created by HB 3401.

House Bill 3497 (2015) increased the minimum level of funding to \$1.165 million, and allowed the minimum grant to grow based on the same percentage by which the amount appropriated to the State School Fund for distribution to ESDs is increased or decreased as compared with the amount appropriated for the 2015-16 school year.

STAFF CONTACT

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