

**REVENUE IMPACT OF  
PROPOSED LEGISLATION**  
75th Oregon Legislative Assembly  
2009 Regular Session  
Legislative Revenue Office

**Bill Number:** SB 64 A  
**Revenue Area:** School Finance  
**Economist:** Steve Meyer  
**Date:** 3/10/09

**Measure Description:**

Excludes education service district (ESD) excess local revenue (above ESD formula grant) distributed to component school districts from the requirement that 90% of ESD formula revenue be spent on services or programs approved by component districts. Excludes ESD excess local revenue from component school district formula local revenue for the six years from 2003-2004 to 2008-09. Validates ESD distribution or expenditure of its excess local revenue prior to July 1, 2009. Takes effect July 1, 2009.

**Revenue Impact (in \$Millions):**

	Fiscal Year		Biennium		
	2009-10	2010-11	2009-11	2011-2013	2013-2015
School Districts	\$	\$	\$	\$ 0	\$ 0
Education Service Districts	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Total</b>	\$	\$	\$	\$ 0	\$ 0

**Impact Explanation:**

The impact depends on any action by the Department of Education to change school district reports of school formula local revenue. The component school districts of Wallowa, Grant and North Central ESDs could potentially have any unreported ESD excess local revenue included for the six year period which would shift some of their State School Fund dollars to all other school districts. The maximum potential amount is estimated at \$7.7 million for all six years.

**Creates, Extends or Expands Tax Expenditure:** Yes  No