

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

Bill Number:	SB 610 A
Revenue Area:	School Finance
Economist:	Steve Meyer
Date:	4/17/09

Measure Description:

Expands approved school transportation costs included in the school formula transportation grant. Includes costs to retrofit or replace buses to reduce or eliminate diesel engine emissions, but excludes any costs paid with money from the Clean Diesel Engine Fund that is deposited into the Fund by the state.

First applies to 2009-10.

Revenue Impact (in \$Millions):

	Fiscal Year		Biennium		
	2009-10	2010-11	2009-11	2011-2013	2013-2015
School districts retrofitting or replacing buses	\$ +	\$ +	\$ +	\$ +	\$ +
Other school districts	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Impact Explanation:

It is anticipated that an unknown amount of federal stimulus dollars will be deposited into the Clean Diesel Engine Fund. These federal funds are used for retrofitting or replacing aging diesel buses and will then be eligible for school formula transportation grants of 70%, 80% or 90% of costs. This will increase the transportation grant of formula revenue for districts retrofitting or replacing buses and decrease the general purpose grant portion of formula revenue for all districts assuming a fixed State School Fund level. The increase in transportation grants will likely more than offset any decrease in general purpose grants for districts retrofitting or replacing buses. During the 2007-09 biennium, \$553,360 of federal grants and \$230,000 state grants will be used for retrofitting 370 buses.

Creates, Extends or Expands Tax Expenditure: Yes No