2009 Regular Legislative Session FISCAL ANALYSIS OF PROPOSED LEGISLATION Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: SB 767 STATUS: B-Engrossed Minority Report

SUBJECT: Establishing a Oregon Online Education Task Force Relating to Public Charter Schools

GOVERNMENT UNIT AFFECTED: Department of Education, Legislative Assembly

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REVIEWED BY: Monica Brown, Daron Hill

DATE: June 8, 2009

-CORRECTED-

	20	2009-2011		2011-2013	
EXPENDITURES:			-		
Department of Education					
Personal Services	\$	57,017	\$	0	
Services and Supplies	\$	3,569	\$	0	
Total – General Fund	\$	60,613	\$	0	

Legislative Assembly

See comments

EFFECTIVE DATE: On passage

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

ANALYSIS: This fiscal impact statement is corrected to reflect the change that current staff of the Department of Education will provide staff support to the task force while additional individuals will be needed to fulfill the duties of existing staff while they are re-deployed to the task force. Senate Bill 767 establishes a fourteen-member Oregon Online Education Task Force Relating to Public Charter Schools that is charged with studying and identifying the means to provide students in this state with online course options that have critical curriculum content and highly qualified instructors that are otherwise unavailable and making several recommendations relating to public charter schools. In addition to representatives from the Oregon Department of Education (ODE), members would represent the Oregon School Employees Association, the Oregon Education Association, the Oregon School Boards Association, education service districts, the Northwest Center for Educational Options, virtual public charter schools, a school district sponsoring a public charter school, and the Oregon Legislature. A report from the task force is due to the Legislative Assembly no later than December 15, 2009, and the task force is repealed on the convening of the next regular or special session that begins on or after January 1, 2010. The measure also prohibits a school district board or the State Board of Education from approving a charter for which the school district board or the State Board of Education would become a sponsor of a virtual public charter school. This provision is repealed on the earlier of the date of adjournment sine die of the next regular or special session that begins on or after January 1, 2010.

There is a fiscal impact to the Department of Education (ODE) to provide staff support to the task force. ODE assumes that the task force would meet several times between August and December of 2009. ODE estimates the one Education Specialist at 0.20 FTE and one Office Specialist at 0.10 FTE will be required to provide expertise in the subject areas that the task force must study, draft the report, and provide support services to the task force. ODE anticipates the need for two additional positions to

address the workload of two current ODE staff while they provide staff support to the task force. The two positions will cost ODE a total of \$60,613 General Fund for the 2009-11 biennium. The bill allows ODE to accept contributions of funds from nonprofit organizations. ODE is directed to deposit available moneys into the Public Charter School Development Fund. However, this fund is repealed by Enrolled House Bill 2111 (Chapter 95, Oregon Laws 2009) on July 1, 2009. Therefore, the fund will not be available for ODE to deposit moneys. ODE will be required to amend its Request for Proposal (RFP) language relating to the federal grant award process that it has in place for the planning and creation of new charter schools. ODE can make the revisions to its RFP language to reflect the moratorium placed on the sponsorship of new virtual public charter schools using existing staff resources.

There is an indeterminate fiscal impact to the Legislative Assembly; however it is likely to be minimal. Four members of the Legislative Assembly are eligible to receive per diem and mileage reimbursements for their participation on the task force. The Legislative Assembly anticipates it would cost \$668 per task force meeting to reimburse all four members for their expenses and to pay per diem. The Legislative Assembly budget contains funds allocated for per diem and mileage associated with legislators' participation in task force meetings. Because it is not known how many times this task force will meet, the Legislative Assembly may require additional General Fund resources if the expenditure limitations included in its budget for this purpose prove insufficient.