

**2010 Special Session**  
**FISCAL ANALYSIS OF PROPOSED LEGISLATION**  
**Prepared by the Oregon Legislative Fiscal Office**

---

**MEASURE NUMBER:** HB 3687 **STATUS:** B-Engrossed  
**SUBJECT:** Relating to the sale of the Oregon School for the Blind  
**GOVERNMENT UNIT AFFECTED:** Department of Education, Department of Administration Services, and School Districts  
**PREPARED BY:** Monica Brown  
**REVIEWED BY:** Daron Hill and Laurie Byerly  
**DATE:** February 19, 2010

---

**EXPENDITURES:** See analysis

**EFFECTIVE DATE:** On passage

**INTERIM JOINT COMMITTEE ON WAYS AND MEANS:** The budgetary impact of this bill was not reviewed and approved by the Interim Joint Committee on Ways and Means Committee and is not included in the omnibus budget bill to be introduced by the committee upon 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:** House Bill 3687 modifies the distribution of proceeds from the sale of the Oregon School for the Blind; requires the Department of Administrative Services to present the plan for sale of the property to the Capitol Planning Commission; and clarifies the relationship between the High Cost Disabilities Account and new expenditures for former students of the Oregon School for the Blind.

The fiscal impact is indeterminate as the net proceeds from the sale of the property are unknown. The Legislative Fiscal Office notes, that while there is no immediate budget impact, the measure does change the distribution of those net proceeds. House Bill 2834 (2009) required that 100% of the proceeds from the sale be transferred to the Education Stability Fund. House Bill 3687 requires a 50-50 distribution to the Department of Education for the Blind and Visually Impaired Student Fund (BVI) and the Oregon School for the Deaf for improvements, repairs, and maintenance benefitting the health, safety, and housing of students. An exception to this distribution is made for the proceeds from any portion of the real property that is subject to the terms of a charitable trust, which must be distributed as required by the trust agreement. The use of net sale proceeds would be subject to future budget action.

The measure provides clarifying language to allow School districts to apply costs incurred for former Oregon School for the Blind students, regardless of reimbursement from the BVI fund, toward the \$30,000 eligibility threshold for the High Cost Disabilities Account. Further, school districts will be able to by-pass the High Cost Disability Account if the total cost of services exceeds \$200,000 per fiscal year for a former OSB student. This provision is intended to minimize the need to prorate limited resources in the High Cost Disabilities Account.