

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2286 - A

Seventy-Sixth Oregon Legislative Assembly – 2011 Regular Session
Legislative Fiscal Office

Prepared by: John Terpening
Reviewed by: Monica Brown
Date: 4-16-2011

Measure Description:

Directs Department of Education to develop grant program for high school dropout prevention programs administered by school districts.

Government Unit(s) Affected:

Department of Education, School Districts

Summary of Expenditure Impact: See Analysis

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:

The measure directs the Department of Education to administer a grant program to provide grants to school districts to reduce the number of high school dropouts. The Department is required to develop specific guidelines for school district programs eligible for grants. The measure establishes the High School Dropout Prevention Grant Fund separate and distinct from the General Fund, continuously appropriates the moneys in the fund to the Department, and credits the interest earned back to the fund. The measure allows the Department to use moneys from the fund for administrative expenses relating to the grant program. The measure is effective on passage.

The fiscal impact is indeterminate. The amount and source of funds to be used for the grants are unknown.

Once funding has been identified, the Department plans to allocate the anticipated workload to four existing positions, totaling 0.70 FTE, for the administration of the grant program. The Department estimates approximately \$77,037 required for staff time and associated services and supplies. The extent of the grants awarded will be determined by the amount of the funds available.

The Legislative Fiscal Office notes that the demand and the distribution method of individual grants to be awarded are indeterminate and that excessive demand and the method of distribution may require additional staff to administer the program. Depending on the cumulative workload requirements added this session or possible budget reductions the legislature may need to review staffing requirements in the future should this legislation pass.