

## FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 3362 - A

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

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### Measure Description:

Allows sponsor and public charter school to enter into cooperative agreement with other school districts for purpose of forming partnership to provide educational services.

### Government Unit(s) Affected:

Bureau of Labor and Industries (BOLI), Department of Community Colleges and Workforce Development, Department of Education

**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 allows a sponsor and a public charter school to enter into a cooperative agreement with other school districts for the purpose of forming a partnership to provide educational services. The measure allows for a public charter school to provide admission priority to students that reside in a school district that is a sponsor or is a party to the cooperative agreement. The measure directs representatives from the Department of Education, Department of Community Colleges and Workforce Development (CCWD), and the Bureau of Labor and Industries (BOLI) to meet at least four times each year to promote collaboration between agencies on career and technical education related issues outlined by the measure. The agencies are required to make a joint report each year to the appropriate legislative committees regarding their collaboration progress.

The measure establishes the Career and Technical Education Revitalization Grant Program within the Oregon Department of Education (ODE) to award grants subject to the availability of funds. The grants are to be awarded to school districts, education service districts, public schools or public charter schools to enhance collaboration between education providers and employers. The measure stipulates the purpose of the grants, and directs ODE to award the grants in a priority that will ensure representation of a diversity of grant programs in terms of number of students served and geographic location, and to applicants that have received commitments from other entities to provide resources for collaboration. The Department is directed to convene with BOLI to review applications and recommending determinations.

The measure leaves a blank General Fund appropriation for the Department of Education for the purposes of awarding the grants stipulated by the measure. The amount appropriated for the grants will be distributed by the Department as Other Funds. The Department plans to allocate the anticipated workload to four existing positions totaling 0.48 FTE for the administration of the program. The Department estimates approximately \$85,739 required for staff time and associated services and supplies.

The Legislative Fiscal Office (LFO) notes that the demand and the distribution method of individual grants to be awarded are indeterminate and that excessive demand or the method of distribution may require additional staff to administer the program. Additionally, the measure does not specify if the intent of the General Fund appropriation is one-time or on-going, and does not specify the source of additional

grant funds if the initial appropriation is expended. Depending on cumulative workload requirements added this session or possible budget reductions, the legislature may need to review staffing level requirements in the future should this legislation pass.

LFO is concerned with about the broad language in the measure related to “subject to the availability of funds.” Funds available to the agency suggest not only obligated and unobligated cash funds, but additional funds the agency could generate from such actions as fees, asset sales, or borrowing.

There is a minimal expenditure impact to ODE, CCWD, and BOLI for the monthly collaboration meetings and the creation of the joint report. Each agency will have to reprioritize duties and responsibilities of existing staff to allow participation in the monthly meetings and creation of the report.