

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 909 - B

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

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Measure Description:

Establishes Oregon Education Investment Board for purpose of ensuring equitable outcomes for public school students by overseeing unified public education system that begins with early childhood services and continues throughout public education from kindergarten to post-secondary education.

Government Unit(s) Affected:

Department of Education, Office of the Governor, Oregon University System, Community Colleges and Workforce Development, Department of Human Services, Commission on Children and Families, State Library, Oregon Health Authority, Oregon Youth Authority

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 establishes the Oregon Education Investment Board (OEIB) to oversee a unified public education system from early childhood services to post-secondary education. The Board consists of 13 members including the Governor or a designee who appoints the other twelve members and chairs the Board. The measure stipulates the duties of the board, including ensuring streamlined and connectivity between all levels of education, recommending strategic investments, and providing an integrated statewide data system. The data system may be an existing system or a modified existing system that must be operating no later than June 30, 2012. The Board shall appoint a Chief Education Officer to assist the Board and carry out the duties determined by the board.

The measure establishes the Early Learning Council under the direction and control of the OEIB and stipulates the membership of the council. The council is directed to conduct an analysis of plans to merge, redesign, or improve the coordination of early childhood services with child-centered outcomes. The council is directed to establish a plan for implementation of early childhood services that could accomplish certain goals stipulated by the measure. The council shall be directed and supervised by the Early Childhood System Director, appointed by the governor.

The measure establishes the Oregon Education Investment Fund, separate and distinct from the General Fund, continuously appropriate the monies in the fund to the OEIB and credits interest earned back to the fund.

The OEIB is directed to report to the interim legislative committees on education on or before December 15, 2011 describing proposals for legislative measures that may include changes to early childhood services, merging the duties of the Board of Education and State Board of Higher Education, or other changes to youth development and training programs. The OEIB is repealed on March 15, 2016 and any unexpended balances in the Oregon Education Investment Fund are transferred to the General Fund.

The fiscal impact is indeterminate. The measure does not identify a source of funds for the Education Investment Fund or for expenses of the OEIB and does not identify an entity to provide staff for the

OEIB. It is anticipated that \$3 million General Fund will be provided in other legislation to the Governor's Office to finance the costs of the OEIB.

The fiscal impact to state agencies will vary depending on the level of staffing that may be required to assist the OEIB or the proposed legislation recommended by the OEIB in the 2012 legislative session.

The Department of Education currently collaborates with higher education in the design and maintenance of a statewide educational data system through a federal grant. The Department assumes the statewide data system required by the measure will fall within the current system that is scheduled to be complete in 2012. The measure does not address the specific requirements of the integrated statewide educational data system. If the requirements of the data system fall outside of the scope of work of the current data system, the Department may need to seek additional funding or positions.