

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: HB 4058**Seventy-Sixth Oregon Legislative Assembly – 2012 Regular Session
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Date: 2-1-2012**Measure Description:**

Directs Joint Boards of Education and Higher Education Coordinating Commission to prepare report on strategies for reducing higher education textbook costs.

Government Unit(s) Affected:

Department of Community Colleges and Workforce Development, Department of Education, Office of the Governor, Oregon University System

Summary of Expenditure Impact:

Agency – Fund Type	2011-13 Biennium	2013-15 Biennium
Department of Education – General Fund	\$5,000	\$0
Oregon University System – General Fund	\$86,880	\$0
Community Colleges & Workforce Development – General Fund	\$91,930	\$0
Total – General Fund	\$183,810	\$0

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 Joint Boards of Education to prepare a report on strategies for reducing higher education textbook costs. The Joint Boards are directed to convene a workgroup and hold at least three public meetings during the process and submit the final report to the Legislative Assembly prior to November 1, 2012. After July 1, 2012 the responsibilities for the workgroup and the report are transferred to the Higher Education Coordinating Commission. The measure is effective on passage and is repealed at the convening of the 2013 Legislative Assembly.

The Joint Boards of Education are comprised of the State Board of Higher Education and the State Board of Education and is staffed by the Oregon Department of Education (ODE), Department of Community Colleges and Workforce Development (CCWD), and the Oregon University System (OUS).

The fiscal impact to the affected entities is dependent on the timing and implementation of the measure.

Assuming the Joint Boards of Education begin implementation prior to July 1, 2012, OUS and CCWD anticipate the need to hire a consultant to conduct the study and research regarding higher education textbook cost reduction strategies. The estimated cost for the consultant is anticipated to be around \$150,000 General Fund, which would be split between OUS and CCWD. Additional costs for ODE, CCWD, and OUS include the costs of the public meetings, travel and per diem for board members, and in the case of ODE and CCWD, costs for temporary staff to assist in creation of the report.

The Higher Education Coordinating Commission (HECC), delineated in SB 242 (2011), comes into existence July 1, 2012, however there is no funding for HECC operations in the 2011-2013 Legislatively Adopted Budget. If HECC does not receive funding, or if the study were not completed by the Joint

Boards before July 1, 2012, and if the identified agencies above no longer provide resources for the study after that date, it is unclear how HECC would be able to complete the study.