

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2985

Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

Prepared by: Tim Walker
Reviewed by: Doug Wilson
Date: 04/23/2013

Measure Description:

Establishes Career and Technical Student Organization Grant Program for purpose of funding expenses associated with participation in career and technical student organizations.

Government Unit(s) Affected:

Department of Education

Summary of Expenditure Impact:

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	2013-15 Biennium	2015-17 Biennium
General Fund	\$131,486	\$119,256
Lottery Funds		
Other Funds		
Federal Funds		
Total Funds	\$131,486	\$119,256
Positions	2	2
FTE	0.58	0.58

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: This bill establishes the Career and Technical Student Organization Grant Program with the Oregon Department of Education (ODE) and directs ODE to award grants to school districts for purposes of funding career and technical student organizations. The bill also caps administrative fees at 5% of total grant money per year and directs ODE to adopt rules as necessary.

This fiscal impact is based upon ODE's experience in administering CTE Revitalization grants in the 2011-2013 biennium on 8 grants totaling \$2.0 million. The bill is not clear if ODE or the Oregon Career Technical Education Student Leadership Foundation would be responsible for administering the grants. ODE estimates that with rule writing, Request for Proposal development, application processing and awarding and monitoring grants, the total General Fund expense would be \$131,486 in 2013-15 and \$119,256 in 2015-17. The additional costs in the 2013-15 biennium is for computer equipment and supplies for new employees. Because the total grants available is unknown at this time the actual costs is indeterminate and would vary depending upon the actual grant dollars available.

77th OREGON LEGISLATIVE ASSEMBLY – 2013 Regular Session
STAFF MEASURE SUMMARY
House Committee on Education

MEASURE: HB 2985
CARRIER:

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action:	Do Pass and Be Referred to the Committee on Ways and Means by Prior Reference
Vote:	8 - 0 - 1
Yeas:	Fagan, Gomberg, Gorsek, Huffman, Parrish, Reardon, Sprenger, Whisnant
Nays:	0
Exc.:	Gelser
Prepared By:	Rick Berkobien, Administrator
Meeting Dates:	3/27

WHAT THE MEASURE DOES: Establishes Career and Technical Student Organization Grant Program within the Oregon Department of Education (ODE). Directs ODE to award grants to school districts for purpose of funding career and technical student organizations. Allows ODE to give priority to newly participating school districts when awarding grants. Caps administrative expenses at five percent of total grant money per year. Allows State Board of Education to adopt rules necessary to implement measure. Declares emergency, effective July 1, 2013.

ISSUES DISCUSSED:

- Value of peer-to-peer marketing
- Life skills obtained from program
- Benefits of helping students broaden horizons and goals

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: The term Career Technical Education, or CTE, refers to organized education programs which are directly related to preparing students for employment in occupations requiring other than a baccalaureate or advanced degree. CTE is organized by a national framework called Career Clusters, which presents a complete range of related career options to students of all ages, helps them discover their interests and passions, and empowers them to choose the education pathway that can lead to success in high school, college, and their chosen career. The Carl D. Perkins Career and Technical Education Act of 2006 provides federal support for CTE programs. In 2008, Congress designated the month of February as Career Technical Education month, noting that over 15 million students nationwide participate in career and technical education programs.

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This summary has not been adopted or officially endorsed by action of the committee.

Committee Services Form – 2013 Regular Session