REVENUE IMPACT OF PROPOSED LEGISLATION

Seventy-Seventh Oregon Legislative Assembly 2013 Regular Session Legislative Revenue Office Bill Number: HB 2098 - A Revenue Area: School Finance

Economist: Dae Baek Date: 4/22/2013

Only Impacts on Original or Engrossed Versions are Considered Official

Measure Description: Revises, for purposes of assigning additional weights in the State School Fund (SSF) distribution, the data collection method of identifying students in poverty families. Specifies that the weights from the revised method first apply to the SSF distribution in the 2014-15 school year. Takes effect on July 1, 2013.

Revenue Impact: This bill does not change the total formula revenue available for distribution to school districts and educations service districts in a given school year.

Impact Explanation: The new data collection method to be adopted under the bill will facilitate better identification of students in poverty families. It will incorporate information from the U.S. Census Bureau, student data provided by local school districts and other relevant sources. The new method will most likely result in aggregate weights attributed to students in poverty families that are different from those calculated under the current method. The method is yet to be developed and the extent of aggregate weight change is yet to be known.

While this bill does not change the total formula revenue available for distribution to school districts and educations service districts in a given school year, the new method enhances the probability that the money follows students in need, as it uses more timely and readily updateable information.

Creates, Extends, or Expands Tax Expenditure: Yes \square No \boxtimes

State Capitol Building 900 Court St NE, Room 143 Salem, Oregon 97301-1347 Phone (503) 986-1266 Fax (503) 986-1770 http://www.leq.state.or.us/comm/lro/

LRO 1 of 1