

**FISCAL IMPACT OF PROPOSED LEGISLATION**

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

**Measure: HB 2098 A  
CORRECTED**

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

Prepared by: Tim Walker  
Reviewed by: Doug Wilson  
Date: 05/15/2013

**Measure Description:**

Adjusts method for calculating additional amount of weighted average daily membership attributed to students in poverty families for purposes of State School Fund distributions.

**Government Unit(s) Affected:**

Department of Education, Education Service Districts (ESD), Local Education Agencies, School Districts

**Summary of Expenditure Impact:**

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	<b>2013-15 Biennium</b>	<b>2015-17 Biennium</b>
General Fund	\$28,893	\$17,929
Lottery Funds		
Other Funds		
Federal Funds		
<b>Total Funds</b>	<b>\$28,893</b>	<b>\$17,929</b>
Positions	1	1
FTE	0.15	0.10

**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 would require the Oregon Department of Education (ODE) to change the calculations used for determining poverty levels in the State School Fund.

ODE anticipates having to reprogram the State School Fund system to reflect any changes to the poverty calculation. The costs above reflect the agency's estimate of the staff time to do the reprogramming, data validation, maintenance, and outreach to school districts. In the absence of additional resources, ODE anticipates having to delay work on other projects such as the Longitudinal Data System and the Student Record Transfer Exchange. The agency will also need to draft rules for review/adoption by the State Board of Education which is expected to have a minimal cost.

School Districts do not have enough information to determine the net effect of the measure, since changes to the poverty calculation are unknown at this time. Distributions to Education Service Districts would likewise be affected based upon the changes to the poverty calculations. The full affect to School Districts and Educational Service Districts will not be known until ODE adopts rules for calculating poverty and the number of students who may fall into this category.

ODE has corrected their fiscal to reflect changes due to the limit on the type of data to be used by the Department. This has lowered the expected costs.