

FISCAL IMPACT OF PROPOSED LEGISLATION

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

**Measure: SB 222 - A
REVISED**

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

Prepared by: Tim Walker
Reviewed by: Doug Wilson
Date: 05/16/2013

Measure Description:

Expands purposes for which grants awarded for accelerated college credit programs may be used.

Government Unit(s) Affected:

School Districts, Oregon Student Assistance Commission (OSAC), Oregon Educational Investment Board, Department of Education

Summary of Expenditure Impact:

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	2013-15 Biennium	2015-17 Biennium
General Fund	\$8,718,685	
Lottery Funds		
Other Funds		
Federal Funds		
Total Funds	\$8,718,685	\$0
Positions	14	
FTE	4.19	

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 creates the Accelerated Learning Committee and directs the committee to examine methods to encourage and enable students to obtain college credits while still in high school, and emphasize the alignment of funding, assessments and procedures between high schools and post-secondary institutions of higher education to encourage efficiencies and to make post-secondary education more affordable for families. The Oregon Education Investment Board (OEIB) is directed to staff and oversee the work of the committee, including development of a final report. The Committee is directed to report back to the interim Education Committee by October 2014. In addition, the bill appropriates \$3,000,000 General Fund to the Oregon Student Access Commission and \$5,000,000 General Fund to Oregon Department of Education (ODE) for strategic investments. This \$8 million in appropriation requests are included in the Governor's budget. There is no sunset in the bill and any future appropriation for this program will have to be taken up by the 2015 Legislative Assembly. The agencies anticipate ongoing costs of supporting the program, if the Legislative Assembly chooses to fund it, are approximately \$686,000 for four positions (2.88 FTE) for the 2015-17 biennium.

OEIB's staffing for this bill is anticipated in the Governor's Budget in the OEIB Policy and Research Unit. OEIB anticipates using 3 positions (0.41 FTE) to staff the committee. ODE anticipates additional resources, portions of seven positions (1.28 FTE), to administer the grant programs, contract for an

outside program to evaluate the program success, develop rules and provide technical assistance. ODE anticipates the total cost of the grant administration and consortium development, separate from the costs and positions outlined above, to be approximately 7.8% of the \$5.0 million appropriation.

The Oregon Student Assistance Commission (OSAC) would need to create, implement and administer the new scholarship and grant programs. In addition, OSAC would need to develop administrative rules, eligibility criteria, application and selection processes, and create a database and software to collect data on applicants and recipients. OSAC would also need to track expenditures, recipient's progress and report on program performance. OSAC estimates that these activities would require \$396,477 and three positions (2.50 FTE) in 2013-15 biennium and \$455,949 and three positions (2.50 FTE) in the 2015-17 biennium. OSAC cannot absorb the additional activities with current resources.

Revisions were made for clarity and readability.