

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: HB 2506 - B**Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session
Legislative Fiscal Office***Only Impacts on Original or Engrossed
Versions are Considered Official***

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Measure Description:

Establishes Task Force on School Funding.

Government Unit(s) Affected:

Department of Education, Office of the Governor, Education Service Districts (ESD), School Districts

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:

House Bill 2506 B-Engrossed establishes the 13-member Task Force on School Funding charged with making recommendations regarding possible modifications to the funding formulas used to distribute State School Fund moneys to school districts and education service districts. The task force is required to submit a report that may include recommendations for legislation to an interim committee of the legislature by October 1, 2014.

In addition to four legislators, the remaining nine members appointed by the Governor include individuals who represent teachers, education service districts, school districts, schools, and school boards. This fiscal assumes that membership and participation on the task force will have minimal impact on these entities, and that any resulting work can be absorbed with existing resources. Each entity will have to reprioritize duties and responsibilities of existing staff to allow participation on the task force. All members of the task force serve as volunteers and are not entitled to per diem or reimbursements. The Oregon Department of Education (ODE) is directed to provide staff support to the task force. This fiscal assumes ODE will use existing staff and resources to carry out this directive.

HB 2506-B also:

1. Abolishes the Office of Regional Educational Services and the Regional Educational Services Account, as well as repeals ORS 327.009 which transferred 0.25% of the school funding formula resources for the Regional Educational Services Account. The resulting "savings" would be distributed to School Districts and ESDs through the formula.
2. Reduces the amount dedicated to the Facilities Grant Program in ORS 327.008 from \$25 million per biennium to \$20 million and redeploys the \$5 million to the Quality Teaching and Learning Network established in HB 3233.
3. Allocates equal amounts from the formula amounts that are distributed to School Districts and to ESDs (\$14 million each) for the Quality Teaching and Learning Network.
4. Indexes the amounts dedicated to the Network by #4 above to the change in the amount in the State School Fund (SSF) meaning if the SSF increased by 5% between biennia, the amounts would increase proportionately.
5. Establishes the Network of Quality Teaching and Learning Fund.