

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
Seventy-Seventh Oregon Legislative
Assembly
2013 Regular Session
Legislative Revenue Office

Bill Number: HB 2098 - B
Revenue Area: School Finance
Economist: Dae Baek
Date: 6/14/2013

*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. Specifies that certain foreign exchange students continue to be considered resident students until June 30, 2015.

Revenue Impact: This bill does not change the total formula revenue available for distribution to school districts and education 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. The resulting change in aggregate weights, if any, will lead to redistribution of formula revenue.

While this bill does not change the total formula revenue available for distribution to school districts and education 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.

The bill also specifies that certain foreign exchange students continue to be considered resident students until June 30, 2015, for purposes of the State School Fund distribution. 57 students in five school districts (Paisley, Burnt River, Ukiah, Mitchell, and Spray) are identified to qualify for this provision.

Creates, Extends, or Expands Tax Expenditure: Yes No