

FISCAL IMPACT OF PROPOSED LEGISLATION

Seventy-Seventh Oregon Legislative Assembly – 2014 Regular Session
 Legislative Fiscal Office

Measure: HB 4009

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

Prepared by: Tim Walker
 Reviewed by: Doug Wilson
 Date: 02/25/2014

Measure Description:

Provides that Department of Education is responsible for provision of educational services to students admitted to pediatric nursing facilities and for payment of costs for those services.

Government Unit(s) Affected:

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

Summary of Expenditure Impact:

Summary of Expenditure Impact		
	2013-15 Biennium	2015-17 Biennium
General Fund		
Lottery Funds		
Other Funds (SSF)	2,076,612	5,154,958
Federal Funds		
Total Funds	\$2,076,612	\$5,154,958
Positions		
FTE		

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 requires the Department of Education (ODE) to provide educational services for students with disabilities who are living full-time in a Pediatric Nursing Facility due to high medical needs. Students admitted to a pediatric nursing facility are not considered a resident of any school district. Portland Public Schools (PPS) will continue to serve these students through contract with the Department of Education. In addition, the bill establishes the Pediatric Nursing Facility Account within the State School Fund (SSF) and annual transfers will be made to this account from the SSF.

Currently, PPS receives an additional \$500,000 in the current school year to support the additional costs incurred by students in the Pediatric Nursing Facility. The ODE assumes the overall cost for these students would be \$35,838 per student up to a maximum of 58 students or \$2,076,612 per year in 2014-15 and \$2,577,479 per year in the 2015-17 biennium. The facility currently serving these students is licensed by the Department of Human Services for 58 beds. This amount would be a "carve out" within the SSF and would not require an increase in GF allocated to the SSF. However, this could result in a decrease of roughly \$1.80/ADMw for school districts receiving distributions from the SSF after factoring in an estimated amount Portland Schools receives in the current school year (2013-14).