

**REVENUE IMPACT OF  
PROPOSED LEGISLATION**  
Seventy-Eighth Oregon Legislative  
Assembly  
2015 Regular Session  
Legislative Revenue Office

Bill Number: HB 2927 - 1  
Revenue Area: School Finance  
Economist: Dae Baek  
Date: 3/23/2015

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

**Measure Description:** Increases the High Cost Disabilities (HCD) Grant to \$35 million per school year. First applies to the 2015-16 State School Fund (SSF) distribution. Takes effect on July 1, 2015.

**Revenue Impact (in \$Millions):**

	Fiscal Year
	Every FY
State School Fund	No change
High Cost Disabilities Grant	+\$35.0
General Purpose Grant	-\$35.0

**Impact Explanation:** Currently the HCD is limited to \$18 million per year. The approved actual cost borne by school districts has been much higher than this limit every year. In the fiscal year 2013-14, the prorated reimbursement was about 40% of the total approved cost. The higher HCD grant under the bill is expected to increase the reimbursement rate to around 80 percent. The \$35 million is included and fully accounted for in the Co-chairs' budget framework.

**Creates, Extends, or Expands Tax Expenditure:** No