

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 536

Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session
Legislative Fiscal Office

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

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Measure Description:

Directs Department of Education to assist public educational entities with developing regional service delivery systems for purpose of providing efficient and effective services for public educational entities.

Government Unit(s) Affected:

Department of Education

Summary of Expenditure Impact:

	2015-17 Biennium	2017-19 Biennium
General Fund	\$300,000	
Total Funds	\$300,000	\$0

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:

The bill directs the Department of Education (ODE) to assist public educational entities with developing regional service delivery systems by awarding grants to assist with financial, legal or organizational analysis or planning to develop a regional service delivery system. The bill states that a regional service delivery system must consist of public educational entities, which may include school districts, education service districts, and community colleges. If an employee of a public educational entity is displaced as the result of the formation of a regional service delivery system, then the employee shall be given hiring preference if the employee is qualified for the position or willing and able to become qualified. ODE is appropriated \$300,000 General Fund for the purpose of expending grants to public educational entities.

The bill does not specify how frequently the grants are to be awarded but this analysis assumes they are awarded one-time after January 1, 2016. The bill also does not specify the number of grants but this analysis assumes it is a maximum of 3-4 grants at about \$75,000 to \$100,000 per grant and that there would be a relatively small number of applicants. Given the assumptions previously stated, ODE believes that the work associated with this bill is minimal and can be absorbed with existing staff. The fiscal impact is \$300,000 General Funds in the 2015-16 biennium for grant awards.