

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2662 - 3

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

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

Prepared by: Krista McDowell
Reviewed by: Doug Wilson, John Borden
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Measure Description:

Establishes Pay It Forward program.

Government Unit(s) Affected:

Higher Education Coordinating Commission, Department of Revenue(DOR)

Summary of Expenditure Impact:

See Analysis

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 fiscal impact statement is for the purpose of transmitting the measure from the House Committee on Revenue to the Joint Committee on Ways and Means. There is a fiscal impact associated with this bill; the amount of this impact is still being determined, especially with the costs related to the Higher Education Coordinating Commission and the development of policy, rules and a report to the Legislative Assembly. A more complete fiscal analysis on the bill will be prepared as the measure is considered in the Joint Committee on Ways and Means.

At this time, the Legislative Fiscal Office (LFO) believes that the ramifications and scope of the Pay It Forward (PIF) program are not understood and therefore the fiscal impact of the bill cannot be fully determined. The bill does not identify a funding source nor an initial funding amount for the Pay It Forward Program (PIF). Without a determination of initial funding levels to define the size of the program it is unclear what the workload and resources necessary to implement PIF. Additionally, significant information needed to calculate reimbursements to the Pay It Forward Implementation Fund, are dependent on rule established by the Higher Education Coordinating Commission (HECC); this includes such factors as participant eligibility, covered costs, repayment percentages, and repayment schedules. Therefore it is not possible to estimate whether PIF will need additional appropriations beyond the first biennium the program is established.