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# MEMORANDUM

Legislative Fiscal Office  
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**To:** *Education Subcommittee*

**From:** *Krista McDowell, Legislative Fiscal Office*  
*(503) 986-1838*

**Date:** June 15, 2015

**Subject:** *HB 5025*  
*Work Session Recommendations*

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HB 5025 - A relates to the financial administration of the Higher Education Coordinating Commission (HECC).

The measure, amendments, and original staff measure summary are available on the Oregon Legislative Information System (OLIS).

The measure previously had a public hearing in the Joint Ways and Means Subcommittee on Education on June 9, 2015.

The measure, with the –1 amendment, is expected to generate \$264,750 Other Funds per biennium and support the addition of one position (0.30 FTE) and three position reclassifications at a cost of \$114,753 per biennium to the HECC. All associated fiscal and revenue estimates have been included in the HECC budget bill (HB 5024).

## **Amendment**

The proposed – 1 amendment to the measure corrects fee amounts that were incorrectly printed in the introduced version of the bill

**Motion: Move the –1 amendment to HB 5025 .**

## **Measure as Modified**

The measure, as amended, is recommended to be moved to the full Committee on Joint Ways and Means.

**Motion: Move HB 5025 to the full committee with a “do pass” recommendation, as amended.**

## **Assignment of Carriers**

Full: \_\_\_\_\_  
1<sup>st</sup> Chamber: \_\_\_\_\_  
2<sup>nd</sup> Chamber: \_\_\_\_\_

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 5025 - 1**

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  
Date: 6/15/2015

**Measure Description:**

Approves certain new or increased fees adopted by Higher Education Coordinating Commission.

**Government Unit(s) Affected:**

Higher Education Coordinating Commission

**Summary of Expenditure Impact:**

	2015-17 Biennium	2017-19 Biennium
Other Funds	114,753	114,753
<b>Total Funds</b>	<b>\$114,753</b>	<b>\$114,753</b>
Positions	1	1
FTE	0.30	0.30

**Summary of Revenue Impact**

	2015-17 Biennium	2017-19 Biennium
Other Funds	264,750	264,750
<b>Total Funds</b>	<b>\$264,750</b>	<b>\$264,750</b>

**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 approves or ratifies a variety of Higher Education Coordinating Commission (HECC) fees for post-secondary institutions to operate under an interstate agreement for distance education which were established during 2013-15 biennium. These fees are anticipated to generate additional revenue in the amount of \$264,750 Other Funds (OF) in the 2015-17 and 2017-19 biennium's and are factored in the HECC's budget. The HECC is requesting one Educational Specialists 2 position (.30 FTE) at a cost of \$69,995 Other Funds per biennium. This position will reduce individual staff workload in the Office of Degree Authorization and Private Career Schools Unit; as well as support the development, coordinate monitoring, coaching and guidance of private and distance education. Furthermore, the additional revenue is anticipated to fund reclassifications for three existing positions. Two Program Analyst 2 positions will be reclassified to Education Specialist 1, and a Program Analyst 1 is will be reclassified to an Operational Analysts 2 for an estimated cost of \$ 44,758 Other Funds per biennium.

The Other Fund revenue from these fees will make it possible to make this program self-sufficient and not require General Fund resources. Other Fund limitation and position authorization associated with this bill is included in the budget bill for the HECC (HB 5024).

HB 5025-1  
(LC 9025)  
5/15/15 (TR/ps)

**PROPOSED AMENDMENTS TO  
HOUSE BILL 5025**

1 On page 1 of the printed bill, line 10, delete “\$7,000” and insert “\$3,000”.

2 In line 12, delete “\$3,000” and insert “\$7,000”.

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