
MEMORANDUM

Legislative Fiscal Office
900 Court St. NE, Room H-178
Salem, Oregon 97301
Phone 503-986-1828
FAX 503-373-7807

To: *Education Subcommittee*

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

Date: June 23, 2015

Subject: *HB 2871*
Work Session Recommendations

HB 2871 – A Relating to higher education. The bill establishes the Open Educational Resources (OERs) Grant Program within the Higher Education Coordinating Commission (HECC) and directs the HECC to award grant funds to public universities and community colleges for the purposes of encouraging the use of low or no-cost open educational resources.

The measure was previously heard in the Joint Committee on Ways and Means Subcommittee on Education on June 15, 2015.

The bill has a \$700,000 General Fund (GF) impact. Total implementation costs to the HECC for the 2015-17 biennium are estimated to be \$304,869 GF and two positions (1.36FTE), which leaves \$395,131 GF for the distribution of grant funds.

Amendment

The proposed – A7 amendment reduces the General Fund appropriation for the bill to \$700,000 to the Higher Education Coordinating Commission and also contains language from the –A3 and the –A6 amendments. The language corresponding to the – A3 amendment expands the definition of open educational resources to include materials that conform to the Americans with Disabilities Act of 1990. The language corresponding to the -A6 amendment reduces the required open educational resource instructional material to at least fifteen courses, rather than thirty.

Motion: Move the –A7 amendment to HB 2871.

Measure as Modified

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

Motion: Move HB 2871 to the full committee with a “do pass” recommendation, as amended.

Assignment of Carriers

Full: _____

1st Chamber: _____

2nd Chamber: _____

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2871 - A7

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: 6/22/2015

Measure Description:

Establishes Open Educational Resources Grant Program within Higher Education Coordinating Commission.

Government Unit(s) Affected:

Higher Education Coordinating Commission

Summary of Expenditure Impact:

	2015-17 Biennium	2017-19 Biennium
General Fund	\$700,000	
Total Funds	\$700,000	\$0
Positions	2	
FTE	1.36	

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 establishes the Open Educational Resources (OERs) Grant Program, subject to the availability of funds, within the Higher Education Coordinating Commission (HECC) and directs the HECC to award grant funds to public universities and community colleges for the purposes of encouraging the use of low or no-cost open educational resources. The bill also requires the HECC to establish an open educational resource specialist position and to submit a report on the status of implementing the provisions of the bill to the interim legislative committees on higher education no later than December 1, 2015. By June 30, 2017, the HECC, in coordination with public universities and community colleges, is directed to identify open educational resources that can be adopted as the primary instructional material for at least 30 courses meeting specific qualities outlined by the bill. Public universities and community colleges are also directed to prominently designate courses whose course materials exclusively consist of open or free textbooks or other low-cost or no-cost course materials.

The Open Educational Resource Specialist position will identify available OERs that may be adopted by Oregon, as well as provide training to public university and community college personnel and facilitating faculty members regarding the OERs program. This position is estimated to be hired as a limited-duration (.92 FTE) Education Specialist 2 at a cost of \$190,580 General Fund in the 2015-17 biennium. In addition, the OER Specialist will need a virtual location to house the OERs data, which will require an estimated \$25,000 for information technology infrastructure needs. To provide technical assistance in the development of contracts, compliance, reporting and monitoring of the OERs grants the HECC anticipates the need for one limited-duration Program Analyst 3 position (0.44 FTE) for an estimated cost of \$89,289 GF in the 2015-17 biennium. Total implementation costs to the HECC for the 2015-17 biennium are estimated to be \$304,869; which leaves \$395,131 of the total General Fund appropriation to be expended for the OERs grants. Community colleges report a total fiscal impact ranging between \$170,000 to \$340,000, for all 17 colleges, related to costs to make data system changes. Public universities report a minimal fiscal impact as a result of this legislation.

HB 2871-A7
(LC 3210)
6/22/15 (DRG/ps)

**PROPOSED AMENDMENTS TO
A-ENGROSSED HOUSE BILL 2871**

1 On page 1 of the printed A-engrossed bill, line 5, before “reside” insert a
2 colon and begin a new paragraph and insert “(a)”.

3 In line 7, delete the period and insert “; and

4 “(b) Conform to the Americans with Disabilities Act of 1990 (42 U.S.C.
5 12101 et seq.) and to any additional accessibility standards established by the
6 Higher Education Coordinating Commission by rule.”.

7 On page 2, line 24, delete “\$1,100,000” and insert “\$700,000”.

8 In line 38, delete “30” and insert “15”.

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