

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 586

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: 3/4/2015

Measure Description:

Increases age of youth for whom Youth Development Council may oversee unified system of services from 20 years to 24 years.

Government Unit(s) Affected:

Department of Education, Oregon Educational Investment Board

Summary of Expenditure Impact:

	2015-17 Biennium	2017-19 Biennium
General Fund	\$154,229	\$193,777
Total Funds	\$154,229	\$193,777
Positions	1	1
FTE	0.75	1.00

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 will broaden the age range of youth overseen by programs and services of the Youth Development Council from age 20 to 24.

ODE asserts that the bill will require an Operations and Policy Analyst 3 position, for 18 months (.75 FTE), at a cost of \$154,229 General Fund (GF) in the 2015-17 biennium, and \$193,777 GF in the 2017-19 biennium. This position will have expertise with the 21-24 year-old population with experience in workforce issues for the population. This position will also support a community engagement process that will help develop grants to programs that directly serve adults aged 21-24 not in school and not working.

ODE assumes that with the higher age range, there will be additional community-based programs applying for grant funds; however there are no current estimates on the number of applications that would be successful in the application process. The agency plans to complete the community engagement process and develop a funding allocation formula and request funding during the 2017-2019 biennium. At this time, the agency believes such a request may be in the amount of \$6 million GF, but until the community engagement process is completed LFO believes it is premature to provide an estimate. The completion of this process will lead to a full implementation of grants issued to communities in the 2017-19 biennium.

LFO believes this bill merits a referral to the Joint Committee on Ways and Means given the funding required for the requested position as well as the potential fiscal impact on future biennia for the grant program.