

**REVENUE IMPACT OF
PROPOSED LEGISLATION
Seventy-Eighth Oregon Legislative
Assembly
2015 Regular Session
Legislative Revenue Office**

**Bill Number: HB 3497 - B
Revenue Area: School Finance
Economist: Dae Baek
Date: 5/07/2015**

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

Measure Description: Increases the minimum general services grant for an education service district (ESD) to \$1,165,000 for the 2015-16 school year. Specifies that this minimum grant should mirror the growth of the ESD's revenue in the State School Fund distribution in future school years.

Revenue Impact (in \$Millions): This bill does not change the total formula revenue available for distribution to school districts and education service districts.

Impact Explanation: Currently, the minimum general services grant for an education service district (ESD) is \$1 million per school year. This bill increases that amount to \$1,165,000 in the 2015-16 school year, and directs that the growth rate of the minimum grant should be the same as that of the ESD's revenue in the State School Fund distribution in future school years.

Under the bill, the additional amount of money needed for the minimum grant increase totals \$825,000 in 2015-16 for five districts. This increase in minimum allocation will reduce the formula revenue per ADMw in the remaining 14 ESD's. The reduction for these ESD's is estimated to be about \$1.20 per ADMw in 2015-16, relative to the State School Fund budget reflected in HB 5017.

Creates, Extends, or Expands Tax Expenditure: No