

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 3380 - A

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
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Measure Description:

Directs Early Learning Division to administer preschool program.

Government Unit(s) Affected:

Department of Education, Early Learning Council

Summary of Expenditure Impact:

	2015-17 Biennium	2017-19 Biennium
General Fund	\$671,268	\$378,995
Total Funds	\$671,268	\$378,995
Positions	3	2
FTE	1.42	1.25

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 directs the Early Learning Division (ELD) to administer a preschool program in which schools, Head Starts, child care providers and Community-Based Organizations, that meet certain standards provided by the bill, are funded to provide preschool to children living in families below 200% of federal poverty guidelines. The ELD is directed to apply for state funding, coordinate local planning, enter into contracts with preschool providers, coordinate with the Oregon Department of Education, as well as submit a report to Legislature each biennium, beginning no later than February 1, 2017. Furthermore, the ELD is directed to identify resources to develop, support, and sustain the preschool program; which may include evaluations, professional development opportunities, technical assistance, monitoring guidance, administrative assistance as well as the administration of waivers.

The ELD anticipates the need for a year of planning, both by the state, Early Learning Hubs and participating programs; which would mean the first eligible children would enroll for the program year beginning September, 2016. Oversight as well as program coordination between staff and external partners is anticipated to require one permanent Program Analyst 4 at an estimated cost of \$188,226 General Fund (GF) in the 2015-17 biennium for 0.92 FTE, and \$199,552 GF in the 2017-19 biennium for a full-time 1.00 FTE staffing level. Following the planning year, this position would become the primary program administrator and would manage contracts, provide fiscal oversight, oversee program compliance and reporting requirements, as well as coordinate and support training and technical assistance to the Early Learning Hubs and preschool programs.

A contract for the project management and development of a new database will be needed to monitor child level outcomes and program performance; this on-time cost is estimated at \$200,000 in the 2015-17 biennium. To coordinate the communication between the contractor and ELD in the development of the database one limited-duration Information Systems Specialist 7 is needed at an estimated cost of \$57,100 in the 2015-17 biennium for 0.25 FTE. Additionally, one Operations and Policy Analyst 1 is requested to respond to questions and provide additional technical support to the preschool programs

as well as support database related projects after the ISS 7 position work has been completed. This position is estimated to cost \$43,942 GF in the 2015-17 biennium for 0.25 FTE, and \$39,443 in the 2017-19 biennium for 0.25 FTE.

Contracts with Western Oregon University – Teaching Research Institute (WOU-TRI) and the Oregon Center for Career Development at Portland State University (OCCD-PSU) to develop a modified Quality Rating and Improvement System (QRIS) process are estimated to cost \$72,000 GF in the 2015-17 biennium and \$30,000 GF in the 2017-19 biennium to receive and analyze child and program level data. Furthermore modifications to contracts with Child Care Resource and Referral agencies, to increase capacity of Quality Improvement Specialists to provide training and support to the new preschool programs, are estimated to cost \$60,000 per biennium. The ELD will also need to contract for a program evaluation for the biennial report to the Legislature, which is an estimated cost of \$50,000 per biennium.

The Oregon Department of Education's budget bill (HB 5016) will provide the resources for the fiscal impact of this bill.