

BUDGET REPORT AND MEASURE SUMMARY

CARRIER: Rep. Komp

Joint Committee On Ways and Means

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**Action:** Do Pass The B-Eng Bill.

**Action Date:** 02/23/16

**Vote:**

**House**

**Yeas:** 12 - Buckley, Gomberg, Huffman, Komp, McLane, Nathanson, Rayfield, Read, Smith, Whisnant, Whitsett, Williamson

**Senate**

**Yeas:** 10 - Bates, Devlin, Girod, Hansell, Johnson, Monroe, Roblan, Shields, Steiner Hayward, Thomsen

**Exc:** 2 - Whitsett, Winters

**Prepared By:** Lisa Pearson, Department of Administrative Services

**Reviewed By:** Doug Wilson, Legislative Fiscal Office

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**Agency:** Department of Education

**Biennium:** 2015-17

## **Budget Summary\***

|              | 2015-17                         | 2016 Committee | Committee Change     |          |
|--------------|---------------------------------|----------------|----------------------|----------|
|              | Legislatively<br>Adopted Budget | Recommendation | 2017-17 Leg. Adopted |          |
|              |                                 |                | \$ Change            | % Change |
| General Fund | \$ -                            | \$ 82,102      | \$ 82,102            | 100.0%   |
| Total        | \$ -                            | \$ 82,102      | \$ 82,102            | 100.0%   |

## **Position Summary**

|                                      |      |      |      |
|--------------------------------------|------|------|------|
| Authorized Positions                 | 0    | 0    | 0    |
| Full-time Equivalent (FTE) positions | 0.00 | 0.00 | 0.00 |

\* Excludes Capital Construction expenditures

## **Revenue Summary**

Senate Bill 1537 appropriates \$82,102 General Fund to the Oregon Department of Education for one-time temporary staffing resources to complete work required by the bill.

## **Summary of Capital Construction Subcommittee Action**

Senate Bill 1537 establishes criteria by which school districts may establish post-graduate scholar programs to receive and expend State School Fund moneys for certain students who have satisfied requirements for a high school diploma. The bill defines and establishes parameters for what is sometimes referred to as 5th year programs. The bill creates a formal program for students who have completed four years of high school and have completed diploma requirements. These students can remain in high school for one more year and attend community college for college credit. Community college courses must be approved by the district and may lead to a certificate or diploma. Students must seek federal student aid to participate, and the student is ineligible for the program if the student is eligible for student aid equal to or more than the average cost of tuition. Districts may choose to establish a post-graduate scholar program if a policy meeting the following requirements is adopted:

- Targets inclusion of underserved students
- Sets achievement targets for participating students
- Includes program measurement and monitoring
- Enters into an agreement with the local community college

- Dedicates staff for the program
- Requires regular bi-weekly student-staff meetings in person

Districts receive one ADM weight for each post-graduate scholars student under the State School Fund and school funding formula, with the value of the weights for participating students decreasing over time. For the 2016-17 school year, each student will account for one full weight then the value of the weight will decrease to 85 percent for 2017-18 school year, and decrease again to 75 percent for every school year thereafter. No additional weights (e.g., poverty, special education) may be added for these students.

Students participating or eligible for the Oregon Promise program are restricted from also participating in post-graduate scholar (5<sup>th</sup> year program) programs. The bill precludes creation or continuation of 5th year programs that are not post-graduate scholar programs. It also prevents adding or extending bus routes to accommodate post-graduate scholars. The program sunsets on June 30, 2021.

The bill requires a report to the Legislature from the Department of Education (ODE) and a report from the Higher Education Coordinating Commission (HECC). These one-time reports must be made by November, 2018. The ODE report will include program information and recommendations, while the HECC report will detail the costs incurred and amounts received by the community colleges in connection with post-graduate programs. Both agencies will work together to compile information from existing data bases, including the number of participants who have completed a full school year. School districts will receive the compiled information. Both agencies will provide technical assistance to districts and community colleges.

The bill includes an appropriation of \$82,102 General Fund for one-time temporary staffing resources for ODE for the work of compiling and reporting information from existing data bases for districts and legislative reporting, drafting any rules required resulting from the bill, providing technical assistance to districts, and modifying the distribution models for the State School Fund. There is no impact on the total amount in the State School Fund from this bill, but the distribution between districts may change as a result of this bill. HECC's fiscal impact at this point is minimal, but costs could occur if they find collecting the data required by the bill is more difficult than assumed.

**DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION**

**SB 1537-B**

Department of Education  
 Lisa Pearson -- (503) 373-7501

| DESCRIPTION                              | GENERAL FUND     | LOTTERY FUNDS | OTHER FUNDS |             | FEDERAL FUNDS |             | TOTAL ALL FUNDS  | POS      | FTE         |
|--|------------------|---------------|-------------|-------------|---------------|-------------|------------------|----------|-------------|
|  |                  |               | LIMITED     | NONLIMITED  | LIMITED       | NONLIMITED  |                  |          |             |
| <u>SUBCOMMITTEE ADJUSTMENTS</u>          |                  |               |             |             |               |             |                  |          |             |
| <b>SCR 100 - Operations</b>              |                  |               |             |             |               |             |                  |          |             |
| Post-Graduate Scholar                    |                  |               |             |             |               |             |                  |          |             |
| Personal Services (temporary positions)  | \$ 82,102        | \$ -          | \$ -        | \$ -        | \$ -          | \$ -        | \$ 82,102        | 0        | 0.00        |
| <b>TOTAL SUBCOMMITTEE RECOMMENDATION</b> | <b>\$ 82,102</b> | <b>\$ -</b>   | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b>   | <b>\$ -</b> | <b>\$ 82,102</b> | <b>0</b> | <b>0.00</b> |