

**FISCAL IMPACT OF PROPOSED LEGISLATION****Measure: SB 183**79th Oregon Legislative Assembly – 2017 Regular Session  
Legislative Fiscal Office*Only Impacts on Original or Engrossed  
Versions are Considered Official*Prepared by: Krista Dauenhauer  
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Date: 3/13/2017**Measure Description:**

Directs Department of Education to establish Early Indicator and Intervention System.

**Government Unit(s) Affected:**

Higher Education Coordinating Commission, Chief Education Office, Department of Education, School Districts

**Summary of Expenditure Impact:**

	<b>2017-19 Biennium</b>	<b>2019-21 Biennium</b>
Other Funds	20,000,000	19,472,086
<b>Total Funds</b>	<b>\$20,000,000</b>	<b>\$19,472,086</b>
Positions	9	9
FTE	8.63	9.00

**Analysis:**

The bill establishes the Graduation Equity Account and moneys in the account are continuously appropriated to the Department of Education (ODE) for the purpose of funding an Early Indicator and Intervention System and the Graduation Equity Program. ODE is directed, in coordination with the Chief Education Office (CEdO), to establish an Early Indicator and Intervention System which will be used by school districts, in partnership with students and other partners, to develop a plan to graduate from high school. The State Board of Education is directed to adopt any rules necessary for implementation of the System.

CEdO is directed to establish and provide direction on the administration of the Graduation Equity Program which is created to improve high school graduation rates and to support opportunities for low-income and underserved populations of students from prekindergarten through grades twelve. Part of this program will require ODE, in coordination with CEdO, to distribute moneys to school districts, education service districts (ESD's), nonprofit organizations, institutions of higher education, or tribes, for the purpose of funding the Program and costs associated with the implementation of the Early Indicator and Intervention System. CEdO, in coordination with the State Board of Education and the Higher Education Coordinating Commission (HECC), is directed to adopt any rules necessary for implementation of the Program.

Funding for the Graduation Equity Account is from a "carve-out" of the state school fund (SB 5517), which sets aside \$20 million for the 2017-19 biennium. Carve-outs are transfers from the State School Fund for a specific purpose and are not available for distribution to school districts and Education Service Districts through the school revenue formula. The carve-out would fund: (1) ODE's anticipated need for nine positions (8.63 FTE) and associated personal service costs in the 2017-19 biennium at a cost of \$2.04 million, and nine positions (9.00 FTE) at a cost \$2.13 million in the 2019-21 biennium; (2) Services and Supplies costs for the nine positions, as well as Attorney General costs and contractor fees associated with providing trauma-informed professional development, are projected to be roughly \$595,000 in the 2017-19 and 2019-21 biennia; (3) Special Payments for grants to school districts, and other entities eligible for funds, are estimated at \$16.76 million for the 2017-19 and 2019-21 biennia; and (4) ODE will transfer \$600,000 of this funding to CEdO. CEdO estimates 50% of the funds will to be

spent on contracted services for research and data collection and the other 50% for travel expenses, facility rentals, and food associated with community engagement related to Graduation Equity Program