

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
79th Oregon Legislative Assembly
2017 Regular Session
Legislative Revenue Office

Bill Number: SB 20 - B
Revenue Area: School Finance
Economist: Dae Baek
Date: 7/4/2017

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

Measure Description: Makes changes to comply with the new federal law Every Student Succeeds Act. Requires the Oregon Department of Education, school districts and state, local, and tribal welfare agencies to work together to provide transportation for a student in foster care, between the student's foster care home and the student's public school of origin identified in the bill.

Revenue Impact (in \$Millions): This bill does not change the total formula revenue available for distribution to school districts and education service districts. However, for purposes of distributing the State School Fund (SSF), qualified transportation expenses will increase. Consequently, transportation grant will increase.

Impact Explanation: The Oregon Department of Education (ODE) estimates up to 1,500 students in foster care will qualify for transportation service required in this bill. ODE estimates that the net transportation expenses borne by school districts, after adjusting for federal matching grants, will be less than \$1 million per school year. Part of net transportation expenses incurred by school districts will be reimbursed in the form of transportation grants out of SSF. The reimbursement rate ranges from 70% to 90% of the cost. With a given level of SSF, the resulting increase in the statewide transportation grant will reduce the statewide general purpose grant.

Creates, Extends, or Expands Tax Expenditure: Yes No