

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2897 - 4

80th Oregon Legislative Assembly – 2019 Regular Session
Legislative Fiscal Office

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

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Reviewed by: Doug Wilson
Date: 03/29/2019

Measure Description:

Establishes Early Childhood Equity Fund.

Government Unit(s) Affected:

Department of Education (ODE)

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Summary of Expenditure Impact:

	2019-21 Biennium	2021-23 Biennium
General Fund	\$20,000,000	
Other Funds	20,000,000	
Total Funds	\$40,000,000	\$0
Positions	3	0
FTE	2.64	0.00

Analysis: This bill establishes the Early Childhood Equity Fund and directs the Early Learning Division (ELD) of the Oregon Department of Education (ODE) to make grants from the Fund to culturally specific early learning, early childhood and parent support programs in the state of Oregon that builds capacity in communities to ensure children start kindergarten ready to succeed as well as supports families to be stable, healthy, and attached. \$20 million is appropriated for transfer into the Fund. Since this new Fund is established “separate and distinct” from the General Fund, there is a need for double counting the spending based on general accounting principles-- once for the General Fund appropriation to the Fund and once for the spending (e.g. grants) from the Fund.

The bill appropriates \$20.0 million General Fund to ELD to monitor capacity needs, provide technical assistance to grantees, conduct a biennial evaluation of programs that receive grants, and provide the grants to the eligible entities. The evaluation shall include measurements of outcomes that align with current research regarding positive child and family indicators and culturally specific approaches. ELD has requested 3 positions (2.64 FTE) to provide these services. \$18,978,320 would be expended as grants as outlined in the bill.

This measure warrants a subsequent referral to the Joint Committee on Ways and Means for consideration of its budgetary impact on the State’s General Fund as well as the staffing needs for administration of the Fund.