

HB 2074 A STAFF MEASURE SUMMARY

House Committee On Education

Action Date: 04/08/19

Action: Do pass with amendments to the bill, rescind subsequent referral to Student Success, and be referred to Ways and Means. (Printed A-Eng).

Vote: 7-1-1-0

Yeas: 7 - Alonso Leon, Doherty, Helt, Hernandez, Neron, Reardon, Sollman

Nays: 1 - Reschke

Exc: 1 - Wallan

Fiscal: Fiscal impact issued

Revenue: Revenue impact issued

Prepared By: Alethia Miller, LPRO Analyst

Meeting Dates: 3/4, 4/8

WHAT THE MEASURE DOES:

Requires Oregon Department of Administrative Services (DAS) to prepare a tentative budget for funding the State School Fund each even-numbered year for the next biennium. Requires DAS form committee to prepare tentative budget and establishes committee membership to include representative from Oregon Department of Education, Legislative Fiscal Office, Legislative Revenue Office, Governor's Office, school districts, school budget committees, school business officials, and education labor unions. Requires LFO, LRO, and Joint Committee on Ways and Means co-chairs to serve as nonvoting members. Specifies components required in tentative budget, and collaboration with committee prior to finalizing the budget. Directs tentative budget to become part of agency request budget for Oregon Department of Education (ODE). Requires DAS present tentative budget to the Governor and Legislative Assembly with the request budget submitted by ODE.

ISSUES DISCUSSED:

- History of K-12 budget and effect of recession on budget
- Effect of Executive Order 99-15 signed by Governor Kitzhaber

EFFECT OF AMENDMENT:

Clarifies Legislative Revenue Office, Legislative Fiscal Office, and Joint Committee on Ways and Means Co-Chairs as nonvoting members. Requires Oregon Department of Education (ODE) present tentative budget to Governor and Legislative Assembly in conjunction with ODE. Clarifies role of committee and Department of Administrative Services in preparing tentative budget and creating alternative approaches to budget.

BACKGROUND:

Executive Order 99-15 signed by Governor Kitzhaber required the Department of Administrative Services (DAS) to annually forecast a statewide allowable growth factor of general operating revenue per weighted Average Daily Membership (ADMw) that can be reasonably expected by districts for the next three fiscal years. It also required DAS to form a School Revenue Forecast Committee to review the statewide average ADM forecasts. The committee consisted of education stakeholders, legislators, and legislative offices. This process ended in 2014.

House Bill 2074 A requires the Oregon Department of Administrative Services to prepare a tentative budget for funding the State School Fund each even-numbered year. It also requires a committee prepare the tentative budget. This would become part of the budget request for the Oregon Department of Education, and is then presented to the Governor and Legislative Assembly.