

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 2025 - A**

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

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

Prepared by: Tim Walker  
Reviewed by: Doug Wilson  
Date: 06/05/2019

**Measure Description:**

Revises preschool program administered by Early Learning Division and establishes program as Preschool Promise Program.

**Government Unit(s) Affected:**

Community Colleges, Department of Education (ODE), Education Service Districts (ESD), Higher Education Coordinating Commission (HECC), School Districts

**Summary of Fiscal Impact:**

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

**Analysis:** The measure establishes the Preschool Promise Program within the Early Learning Division (ELD) in the Oregon Department of Education (ODE). The bill expands the eligibility requirements for Oregon pre-kindergarten (OPK) and specifies teaching and funding requirements to participate in the program. In addition, the bill establishes a scholarship and grant program to develop early childhood care and education professionals and transfers certain reporting duties from the Superintendent of Public Instruction to the ELD. The measure also sets forth criteria preschool providers must meet to participate in Preschool Promise Program, including annual instruction hours required for a full-day of kindergarten, demonstration of ability to maximize available federal, state, and local funds, and providing a classroom environment that is inclusive all children, regardless of ability or family income.

The bill defines roles the Early Learning Council (ELC) has in assisting the ELD, including identifying resources necessary for the Early Learning Division to develop, support, and sustain the implementation of a high-quality preschool program, establishes minimum salary requirements and target salary guidelines for lead preschool teachers and teaching assistants at preschool providers participating in the Preschool Promise Program, and develops strategies to ensure preschool providers have the resources necessary to maintain the children that participate in the Preschool Promise Program. The bill also authorizes the Higher Education Coordinating Commission (HECC) and the ELD to jointly administer a scholarship program for covering tuition, fees, and materials for students in early childhood education and teaching programs, and grant programs for institutions of higher education to develop high-quality degree programs for early childhood care and education professionals.

The budget bill for the Oregon Department of Education provides funding for the Preschool Promise program, OR Prekindergarten program and the Early Head Start program at the current services level. HB 5047, the budget bill for the Student Success Act, includes an additional \$30.8 million for Preschool Promise, \$44.4 million for OR Prekindergarten program, and \$22.3 million for Early Head Start. This funding is scheduled to become available in the second year of the biennium. Funding related to wage parity and transportation are factored into these increases as well as additional slots. Additional funding is also available from HB 5047 in the second year of the biennium for early learning professional development which might be used for covering tuition and other assistance for early learning workers.