REVENUE IMPACT OF PROPOSED LEGISLATION

80th Oregon Legislative Assembly 2020 Regular Session Legislative Revenue Office Bill Number: HB 4044

Revenue Area: School Finance

Economist: Dae Baek Date: 2/8/2020

Only Impacts on Original or Engrossed Versions are Considered Official

Measure Description:

Makes permanent, small school district grants and school district funding for foreign exchange students. Takes effect on passage.

Revenue Impact:

This bill does not change the total formula revenue (the sum of the State School Fund and local revenues) available for distribution to school districts and education service districts.

Impact Explanation:

Small school district grants of \$2.5 million per school year are designed to provide some additional operating revenues to districts with statutorily defined small high schools. Currently there are around 100 school districts in over 30 counties that qualify for these grants.

Some school districts that house foreign exchange students in dormitories are eligible for receiving formula revenue. Currently five school districts are receiving such revenue for about 40 students. There is a statutory cap of 47 students that school districts can receive formula revenues for.

Governing laws on small school district grants and school district funding for foreign exchange students are set to sunset on June 30, 2020. This bill removes the sunsets.