

## FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2275

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

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

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### Measure Description:

Requires applicants for Student Investment Account grants to take into consideration recommendations of advisory groups formed by Department of Education in relation to statewide education plans.

### Government Unit(s) Affected:

Department of Education, School Districts, Higher Education Coordinating Commission, Public Universities, Community Colleges

### Summary of Fiscal Impact:

Costs related to the measure are anticipated to be minimal - See explanatory analysis.

### Analysis:

House Bill 2275 makes several changes to grant programs administered by the Department of Education (ODE) to create efficiencies for school districts and educational programs and the students they serve. ODE requested these statutory changes in response to a budget note in House Bill 5015 (2019), which directed ODE to study various kindergarten through grade 12 Grant-in-Aid programs to identify opportunities for grant consolidation. Among the statutory changes, the measure:

- Changes the Student Investment Account (SIA) application requirements to require grantees to consider recommendations from each dedicated Student Success Act Student Success Plan advisory groups
- Changes SIA minimum funding floor for Youth Corrections Education Program/Juvenile Detention Education Program schools to align to SIA minimum funding floor for school districts
- Modifies the American Indian/Alaska Native Student Success Plan to change how the funds may be used to meet the objectives of the plan, allowing more flexibility in funding, including contracts and grants for eligible recipient
- Repeals the legislative declaration relating to the Expanded Options Program
- Directs ODE, in collaboration with the Higher Education Coordinating Commission (HECC), to determine the amounts distributed from the Accelerated College Credit Account
- Changes the legislative report requirement relating to grants to public charter schools from the Statewide Education Initiatives Account
- Grants discretion to ODE to determine how to distribute to specified programs appropriations made for accelerated college credit programs
- Consolidates accelerated learning program statutes to create more clarity for school districts

The measure takes effect on passage.

### Department of Education

Although the measure does change how ODE provides minimum grant funding to youth corrections and juvenile detention education sites under the Youth Corrections Education Program/Juvenile Detention Education Program, and changes the fund distribution model under the American Indian/Alaska Native Student Success Plan, it is nevertheless anticipated to have no fiscal impact on ODE.

### **School Districts**

The measure requires school districts to consider recommendations of advisory groups. The measure changes the notice requirements about the Expanded Options Program. While school districts already do provide notifications about the program, the measure would require school districts to send information about the program to the last-known address of the family of the student.

The measure also states, with respect to the Expanded Options Program, that school districts may provide transportation services to eligible students who attend eligible post-secondary institutions within any education service district boundaries of which the school district is a component school district. Any transportation costs incurred by a school district would be considered approved transportation costs for purposes of transportation grants under the State School Fund distribution computations for school districts. Because this provision is optional, it is unknown which districts will transport eligible students and which will not.

The measure is anticipated to have a minimal fiscal impact on school districts.

### **Higher Education Coordinating Commission**

HECC will collaborate with ODE to determine the amounts invested in the Accelerated College Credit Grant Programs from the Accelerated College Credit Account. This work can be accomplished with existing staff and resources. The measure is anticipated to have no fiscal impact on HECC.

### **Public Universities and Community Colleges**

The measure provides that an eligible post-secondary institution that receives payment for an eligible student under the State School Fund Grant may not charge that student for tuition, fees, and other required instructional costs associated with the enrollment of the student in an eligible post-secondary course. However, because school districts already enter into financial agreements with eligible post-secondary institutions that accept students for enrollment, which cover payment of the actual instructional costs associated with the enrollment of the eligible student in eligible post-secondary courses, including tuition, fees, and costs of textbooks, equipment, and materials, the measure is anticipated to have no fiscal impact on public universities and community colleges.