

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: HB 3288 - A**

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:

Directs the State Board of Education to adopt uniform standards, based on local, statewide, and national best practices, related to the collection of specified demographic data.

Government Unit(s) Affected:

Oregon Department of Education, Oregon Health Authority, School Districts, Confederated Tribes of Warm Springs, Cow Creek Band of Umpqua Indians, Confederated Tribes of Umatilla Indian Reservation, Coquille Indian Tribe, Klamath Tribes, Burns Paiute Tribe, Confederated Tribes of Coos, Lower Umpqua and Siuslaw Indians, Confederated Tribes of Grand Ronde, Confederated Tribes of Siletz

Summary of Fiscal Impact:

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

Summary of Expenditure Impact:

| | 2023-25 Biennium | 2025-27 Biennium |
|---------------------------------------|------------------|------------------|
| Oregon Department of Education | | |
| General Fund | | |
| Personal Services | \$372,327 | \$195,648 |
| Services and Supplies | \$79,250 | \$49,375 |
| Total General Fund | \$451,577 | \$245,023 |
| Total Fiscal Impact | \$451,577 | \$245,023 |
| <i>Total Positions</i> | 2 | 1 |
| <i>Total FTE</i> | 1.76 | 1.00 |

Analysis:

House Bill 3288 A-engrossed directs the State Board of Education to adopt uniform standards, based on local, statewide, and national best practices, for the collection of data on race, ethnicity, and preferred spoken and written languages for public school students in kindergarten through grade 12. Standards must be adopted, reviewed, and updated in a manner to ensure alignment with federal reporting requirements and in consultation with the Oregon Health Authority (OHA), representatives from tribal governments, and the advisory committee formed under the measure. The State Board of Education must convene an advisory committee to assist the board in adopting, reviewing, and updating uniform standards for the collection of data on race, ethnicity, and preferred spoken and written language. The advisory committee must be composed of individuals, including representative of organizations representing school district boards, school district administrators, licensed school employees, and classified school employees.

No later than March 15, 2025, the Oregon Department of Education (ODE) must consult with representatives from OHA, tribal governments, and the advisory committee to develop and propose standards for consideration, and possible adoption by the State Board of Education, and develop a plan for implementation of the standards by school districts. The measure requires the plan to include a statewide needs assessment describing how school districts currently collect and report data on the race, ethnicity, and preferred spoken and written languages; a

statewide implementation strategy for the proposed standards; recommendations for how to make the collected data publicly available at the school district level; and recommendations for a regular review process and accountability requirements. ODE must report to the interim House and Senate education committees on the implementation of these provisions no later than September 15, 2024.

Oregon Department of Education

The measure is anticipated to have a fiscal impact on ODE. The measure requires the State Board of Education within ODE to adopt rules that establish uniform standards for the collection of data on race, ethnicity, accessibility, language, sexual orientation, and gender identity. To implement these new reporting requirements, ODE would need to update its data collection system, conduct new rulemaking, possibly create new data collections, and staff a permanent advisory group. ODE would need one limited duration, full-time Operations and Policy Analyst 3 position (0.88 FTE) to collect and analyze the new demographic data fields and update and provide the annual reporting requirements for school districts; and one permanent, full-time Information Service Specialist 4 position (0.88 FTE) as part of the ODE Helpdesk that supports school districts and their partners. The Operations and Policy Analyst 3 position would be phased out after 2023-25. The estimated position costs, including related services and supplies, is \$451,577 General Fund in the 2023-25 biennium and \$245,023 General Fund in the 2025-27 biennium. The cost of staffing the advisory group is anticipated to be minimal and absorbable within ODE's 2023-25 current service level.

School Districts

The measure may have a fiscal impact on school districts. School districts already report specified race and ethnicity data to ODE. However, if the uniform standards for the collection of race, ethnicity, accessibility, language, sexual orientation, and gender identity data substantially change how school districts collect, retain, and report this data to ODE, school districts may incur additional information technology costs to reprogram their systems. Because it is presently unknown whether the uniform standards for data collection would require school districts to reprogram their systems to comply with the data collection and reporting requirements, the fiscal impact to school districts is indeterminate.

Other Government Units

The measure is anticipated to have a minimal fiscal impact on OHA and the nine federally recognized Indian Tribes in Oregon.

The measure warrants a subsequent referral to the Joint Committee on Ways and Means for consideration of its impact to the state's General Fund and ODE's biennial budget.