

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2265 - 1

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:

Creates the Task Force on Funding Post-Secondary Education.

Government Unit(s) Affected:

Higher Education Coordinating Commission, Legislative Revenue Office, Legislative Assembly, Office of the Governor

Summary of Fiscal Impact:

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

Analysis:

HB 2263 - 2 creates the 21-member Task Force on Funding Post-Secondary Education which is to review how higher education is funded in Oregon, with a focus on what sources the funding comes from and the amount of moneys received by each type of post-secondary institution of education; compare higher education funding in Oregon to methods of funding in other states; recommend methods for the Legislative Assembly to increase funding for post-secondary institutions of education, including a plan as to how this increase can be reasonably achieved through legislation; and demonstrate how the recommended funding increase can stabilize tuition rates for enrolled students. The task force is to report to the interim committee of the Legislative Assembly related to higher education no later than September 15, 2024. Members of the task force who are not members of the Legislative Assembly are not entitled to compensation or reimbursement for expenses and serve as volunteers on the task force. The bill directs the Higher Education Coordinating Commission and Legislative Revenue Officer to provide staff support for the task force, and the task force sunsets on December 31, 2024.

The measure takes effect on the 91st day after the Legislative Assembly adjourns sine die.

Higher Education Coordinating Commission

HECC anticipates costs totaling \$361,865 General Fund in the 2023-25 biennium. To provide support this task force, HECC would require two limited duration positions: a full-time Operations and Policy Analyst 3 position (0.50 FTE) to support the task force, and a part-time Research Analyst 4 (0.25 FTE) to collect data and conduct research. Costs include \$174,443 for personal services and \$37,422 for services and supplies.

HECC also anticipates contracting for an outside review of comparisons of higher education funding in other states. The cost of this review is estimated at \$150,000 General Fund.

Legislative Assembly

The bill is expected to have a minimal impact on the Legislative Assembly. Four members of the task force will be legislative members who are entitled to per diem and travel reimbursement. Meetings are set by the chairperson and it is unknown how often the task force would meet. However, assuming the task force meets eight times during the approximate 14-month period until the task force sunsets, the estimated per diem and travel reimbursement costs for the task force will total \$9,000. This amount includes the Federal Insurance Contribution Act (FICA) tax, assumes the per diem remains at \$157 per day, and estimates an average mileage of 171 miles at the current rate of \$0.655 per mile. This estimate could change based on the number of meetings held. The task

force would not incur additional costs to the Legislative Assembly budget if the meetings are held at the Capitol building during the Legislative Session, or Task Force or Legislative Days.

Although the 2023-25 Legislative Assembly budget contains funds allocated for interim committees and task forces, if the work required by this task force, or if the cumulative enactment of other legislation with interim committees and task forces exceeds expenditure levels beyond those assumed in the 2023-25 budget, additional General Fund resources may be required.

Other agencies

There is minimal impact for the Legislative Revenue Office and no fiscal impact for the Office of the Governor.