



Legislative Fiscal Office  
 82<sup>nd</sup> Oregon Legislative Assembly  
 2024 Regular Session

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**Bill Title:** Relating to education; declaring an emergency.

**Government Unit(s) Affected:** Health Related Licensing Boards, Higher Education Coordinating Commission, Landscape Architect Board, Landscape Contractors Board, Legislative Policy and Research Office, Mortuary and Cemetery Board, Occupational Therapy Licensing Board, Secretary of State, Oregon Health Authority, Oregon Medical Board, Oregon Youth Authority, Real Estate Agency, Teacher Standards and Practices Commission, Veterinary Medical Examining Board, Oregon Department of Agriculture, Department of Consumer and Business Services, Oregon Department of Transportation, Oregon Liquor and Cannabis Commission, Water Resources Department, Appraiser Certification and Licensure Board, Board of Accountancy, Board of Architect Examiners, Board of Chiropractic Examiners, Board of Dentistry, Board of Examiners for Engineering and Land Surveying, Board of Geologist Examiners, Board of Licensed Professional Counselors and Therapists, Board of Licensed Social Workers, Board of Massage Therapists, Board of Medical Imaging, Board of Naturopathic Medicine, Board of Nursing, Board of Optometry, Board of Pharmacy, Board of Physical Therapy, Board of Psychology, Board of Speech-Language Pathology and Audiology, Board of Tax Practitioners, Construction Contractors Board, Department of Early Learning and Care, Oregon Department of Education, Counties, School Districts, Public Universities, Community Colleges

**Summary of Fiscal Impact**

2023-25 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Oregon Department of Education	\$ 198,739	\$ -	\$ -	\$ -	\$ 198,739	2	0.69
Oregon Health Authority	\$ 143,137	\$ -		\$ -	\$ 143,137	1	0.63
Higher Education Coordinating Commission	\$ 458,865	\$ -	\$ -	\$ -	\$ 458,865	1	0.50
Legislative Policy and Research Office	\$ 363,817	\$ -	\$ -	\$ -	\$ 363,817	1	0.38
<b>Total Fiscal Impact</b>	<b>\$ 1,164,558</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,164,558</b>	<b>5</b>	<b>2.20</b>

2025-27 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Oregon Department of Education	\$ 457,156	\$ -	\$ -	\$ -	\$ 457,156	2	1.50
Oregon Health Authority	\$ 222,721	\$ -	\$ 280,221	\$ -	\$ 502,942	2	2.00
<b>Total Fiscal Impact</b>	<b>\$ 679,877</b>	<b>\$ -</b>	<b>\$ 280,221</b>	<b>\$ -</b>	<b>\$ 960,098</b>	<b>4</b>	<b>3.50</b>

- This fiscal impact statement assumes that the Oregon Health Authority (OHA), Public Health Division’s initial administrative costs will be supported by General Fund in the 2023-25 biennium until the Public Health Division has established sufficient fees to support its ongoing administrative costs, after which the program will be supported by Other Funds fee revenue.

- The measure is anticipated to have a minimal fiscal impact on occupational or professional licensing boards, commissions, or agencies. However, if the magnitude of requests for pre-application determinations proves to be greater than anticipated, some agencies may need to request additional position authority and/or funding in the 2025-27 biennium.

**Measure Description**

The measure is an omnibus education bill that creates and amends various statutory provisions relating to kindergarten through grade 12 (K-12) and institutions of higher education. Among its changes, the measure:

- Directs the Oregon Department of Education (ODE) to establish a work group to develop standards that will be used to select members of the youth advisory group established by this measure.
- Directs ODE to select members of the youth advisory group, who will each serve one-year terms. The youth advisory group must meet at least six times per year. ODE must reimburse members of the youth advisory group for actual and necessary travel and other expenses in the performance of their official duties, as well as adults who provide transportation or other supports to members of the youth advisory group. ODE must provide staff support to the youth advisory group.
- Appropriates a total of \$498,739 General Fund in the 2023-25 biennium in two separate appropriations, which includes \$300,000 to the Higher Education Coordinating Commission (HECC) to conduct a forestry workforce study and \$198,739 to ODE to support to the youth advisory group.
- Directs ODE to develop a plan for the collection of course-level completion and grade data for public school students in grades 6 through 12 and submit a report to interim legislative committees related to education.
- Directs HECC to establish a direct admissions program for community colleges and public universities in Oregon.
- Directs the Legislative Policy and Research Office (LPRO) to conduct a study of the Quality Education Model and Oregon's system of financing K-12 public education and submit a report on the study to interim legislative committees related to education.
- Modifies the Oregon Opportunity Grant program by directing HECC to conduct rulemaking that specifies how it determines the state share for eligible grant recipients.
- Establishes the Juvenile Justice Education Fund. Moneys in the fund are continuously appropriated to ODE for distribution to the Youth Corrections Education Program and the Juvenile Detention Education Program. Each even-numbered year, ODE must prepare a target funding level for the fund for the following biennium and submit a report to the Legislative Assembly and the Governor's Office.
- Exempts public schools, public school boards, and their agents from criminal or civil liability for failure to provide access to short-acting opioid antagonists and necessary medical supplies to administer them, on site in all schools of a school district.
- Directs HECC to convene a work group to study whether community colleges in Oregon should be required to implement evidence-based corequisite student support models; and whether they should be funded by Community College Support Fund grants.
- Allows HECC-approved baccalaureate degree programs or Bachelor of Science: Nursing degree programs to be eligible for funding from the Community College Support Fund.
- Modifies the eligibility criteria for faculty health care benefits at public institutions of higher education in Oregon.
- Requires most occupational or professional licensing boards, commissions, or agencies to make a pre-application determination as to whether a criminal conviction will prevent a prospective applicant from receiving an occupational or professional license; and to reconsider such a determination if a

prospective applicant submits a completed application. Agencies may charge a reasonable fee to pay for the cost of making such a determination.

- Redefines “classified school employee” to include most employees of a school district or education service district in a position represented by a collective bargaining unit.

### **Fiscal Analysis**

The estimated fiscal impact is \$1,164,558 General Fund and five positions (2.20 FTE) in the 2023-25 biennium, and \$960,098 total funds and four positions (3.50 FTE) in the 2025-27 biennium. In addition, the Oregon Health Authority (OHA), Public Health Division will need increased Other Funds expenditure limitation in the 2025-27 biennium. The estimated fiscal impact on occupational or professional licensing boards, commissions, or agencies is anticipated to be minimal; however, if the volume of pre-application determination requests is greater than anticipated, some agencies may need to request additional budgetary resources for the 2025-27 biennium.

#### Oregon Department of Education

The estimated fiscal impact on ODE is \$198,739 General Fund in the 2023-25 biennium and \$457,156 General Fund in the 2025-27 biennium. The measure directs ODE to establish a work group that will develop standards to select members of the youth advisory group established by this measure; provide staff support to the youth advisory group; and reimburse members of the advisory group and adults who support them for their actual and necessary expenses. To manage this increase in workload, ODE will need one permanent, full-time Policy Analyst 4 position (0.50 FTE) to manage the work group, youth advisory group, and deliverables; and one permanent, part-time Administrative Specialist 1 position (0.19 FTE) to provide administrative and clerical support to the youth advisory group. The estimated cost of these positions, including related services and supplies, is \$183,573 General Fund in the 2023-25 biennium and \$411,316 General Fund in the 2025-27 biennium, though these estimates do not include the cost of providing support to the youth advisory group.

To provide support to the youth advisory group, ODE will need to provide travel and other cost reimbursement to members and the adults who support them; provide tutoring and counseling services to members; and provide technological support to members, including laptops, headphones/microphones, and mobile hotspots. Assuming the youth advisory group has 40 members and meets an average of six times per year, ODE will incur additional services and supplies costs of \$15,166 General Fund in the 2023-25 biennium and \$45,480 General Fund in the 2025-27 biennium.

The remaining provisions of this measure are anticipated to have a minimal fiscal impact on ODE.

#### Oregon Health Authority

The estimated fiscal impact on OHA is \$143,137 General Fund in the 2023-25 biennium and \$502,942 total funds in the 2025-27 biennium. The measure directs OHA’s Public Health Division to make a pre-application determination as to whether a criminal conviction will prevent a prospective applicant for an occupational or professional license from obtaining a license. Agencies may charge a reasonable fee for providing this pre-application determination. Agencies are required to provide this determination once this provision becomes operative on July 1, 2025; however, agencies may conduct rulemaking before the operative date to establish fees to support the program.

To manage this increase in workload, the Public Health Division will need one permanent, full-time Compliance Specialist 1 position (0.63 FTE) to begin implementation of processing and tracking determinations and appeals. At present, this program does not have a revenue source to support its administrative costs. For that reason, this fiscal impact statement assumes that General Fund is needed to cover the initial administrative costs of this program until sufficient fees are established through rulemaking to support ongoing programmatic costs. Assuming the Public Health Division begins collecting these fees at the beginning of the 2025-27 biennium, it is anticipated that OHA will need \$222,721 General Fund and \$280,221 Other Funds expenditure limitation for two

permanent, full-time Compliance Specialist 1 positions (2.00 FTE) in the 2025-27 biennium. Once the Public Health Division begins collecting sufficient fee revenue to support this program, it is assumed that this program would no longer require any General Fund.

If this program were to require any additional position authority or funding prior to the start of the 2025-27 biennium, OHA may need to return to the Emergency Board to request additional budgetary resources.

#### Higher Education Coordinating Commission

The estimated fiscal impact on HECC is \$458,865 General Fund in the 2023-25 biennium. The measure requires HECC to conduct a forestry workforce study, for which it appropriates \$300,000 General Fund. HECC will not have any administrative costs to conduct this study, as it will use these funds to contract with a research firm to conduct the required study. Minimal staff time will be required to assist the firm with data discovery and compiling the final report. The measure also directs HECC to establish a direct admissions program for community colleges and public universities in Oregon. To complete this work, HECC will need one limited duration, full-time Research Analyst 4 position (0.50 FTE) to provide data collection for the direct admissions program and coordination with community college, universities, ODE, and other offices within HECC. The estimated cost of this position, including related services and supplies, \$158,865 General Fund. The remaining provisions of this measure would have a minimal fiscal impact on HECC in the 2023-25 biennium.

The measure is anticipated to have a minimal fiscal impact on HECC in the 2025-27 biennium.

#### Legislative Policy and Research Office

The estimated fiscal impact on LPRO is \$363,817 General Fund in the 2023-25 biennium. The measure directs LPRO to conduct a study of the Quality Education Model and Oregon's system of financing K-12 public education; and submit a report on the study to interim legislative committees related to education. LPRO anticipates contracting with a research firm for \$250,000 to conduct this study, though it does note that it may be difficult to complete the competitive procurement process to issue a request for proposal and for the contractor to complete the study by the January 31, 2025, deadline. Based on LPRO's current staffing levels to support education-related policy committees in the interim, LPRO will need one limited duration full-time Research Analyst position (0.38 FTE) to review and assess student information systems in other states, identify and assess alternative systems, and explore potential system costs contingent on publicly available information. This position will be phased out before the 2025-27 biennium.

#### Occupational or Professional Licensing Boards, Commission, or Agencies

The measure is anticipated to have a minimal fiscal impact on occupational or professional licensing boards, commissions, or agencies. With limited exceptions, the measure requires these agencies to make a pre-application determination as to whether a criminal conviction will prevent a prospective applicant from receiving an occupational or professional license. The fiscal impact may vary depending on the demand for pre-application determination requests; whether the determination is subject to contested case hearing rights; which evidentiary standard an agency must use; what level of investigation is required; and whether there are any limits to how many times a prospective applicant can request a pre-application determination. If the magnitude of requests for pre-application determinations proves to be greater than anticipated, some agencies may need to request additional position authority and/or funding in the 2025-27 biennium.

#### Other Entities

The measure is anticipated to have a minimal fiscal impact on community colleges and public universities.

The measure is anticipated to have no fiscal impact on the Oregon Youth Authority, Department of Early Learning and Care, counties, and school districts.

**Relevant Dates**

The measure declares an emergency and takes effect on passage.

Section 1 of the measure establishes the work group on the youth advisory group. The work group must first meet by October 31, 2024. The work group sunsets on August 30, 2025.

Section 4 of the measure establishes the youth advisory group. ODE must select members of the youth advisory group by June 30, 2025. The youth advisory group must first meet by December 15, 2025.

Section 9 of the measure directs ODE to develop a plan for the collection of specified course-level completion and grade data and submit a report to interim legislative committees. ODE must submit the report by September 15, 2024. This reporting requirement sunsets on January 2, 2025.

Section 12 of the measure directs LPRO to conduct the QEM study. LPRO must submit the report to specified interim legislative committees by January 31, 2025. The study and reporting requirement both sunset on June 30, 2025.

Section 15 of the measure, which modifies the Oregon Opportunity Grant program, first applies to state shares determined by HECC for the 2025-26 academic year.

Section 23, which directs ODE to prepare a target funding level for the Juvenile Justice Education Fund each even-numbered year, requires ODE to report to the Legislative Assembly and the Governor's Office by August 31 of each even-numbered year.

Section 33, which establishes a work group on evidence-based corequisite student support models, requires the work group to submit a report to HECC by December 15, 2024. The work group sunsets on January 2, 2025.

Section 35, which makes changes to applied baccalaureate programs, becomes operative on January 1, 2025, and first applies to expenses incurred for the 2025-26 academic year.

Section 40 of the measure, which directs HECC to conduct a forestry workforce study, requires HECC to report to interim legislative committees related to natural resources, education, and higher education by June 30, 2025. The study and reporting requirement both sunset on January 2, 2026.

Section 44, which requires most occupational or professional licensing boards, commissions, or agencies to make a pre-application determination of prospective applicants, becomes operative on July 1, 2025. However, licensing boards, commissions, or agencies may choose to make pre-application determinations prior to the operative date.