2007 Regular Legislative Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: SB 23 **STATUS:** A-Engrossed
SUBJECT: Expanded Options Program eligibility, notifications, and school district and post-secondary institution good faith negotiations
GOVERNMENT UNIT AFFECTED: Oregon Department of Education
PREPARED BY: Adrienne Sexton
REVIEWED BY: Daron Hill
DATE: April 5, 2007

	2007-2009	2009-2011
EXPENDITURES:		
See Comments.		
POSITIONS / FTE:		
See Comments.		

EFFECTIVE DATE: July 1, 2007

GOVERNOR'S BUDGET: This bill is not anticipated by the Governor's recommended budget.

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

COMMENTS: The measure modifies the Expanded Options Program, which allows school districts to negotiate with eligible post-secondary institutions for the enrollment of certain students. It would require the school district and post-secondary institution to negotiate a financial agreement on the payment of actual instructional costs in good faith, and provide an appeal process to the Oregon Department of Education (ODE) by either entity, if the entities are unable to agree. ODE would then need to make a determination that the negotiations had or had not been conducted in good faith. If the determination were made that negotiations were conducted in good faith, the measure provides that ODE grant a waiver to the school district from participating in the program with the post-secondary institution with which it was negotiating.

The impact to ODE would be the allocation of two existing staff, an Education Specialist 2 and an Office Specialist 2, to manage the measure's requirements, in particular the good faith negotiation determination and waiver processes. ODE estimates that the equivalent of 8 months and 4 months of work, respectively, would be required in 2007-09. The cost of staff time would be approximately $67,800, and services and supplies are estimated to be approximately $18,625. Staff costs would be the same in 2009-11, while services and supplies costs would be nominally reduced. Actual costs could be different.

Although the impact of this measure would not require ODE to hire additional staff, the Legislative Fiscal Office notes that other bills are pending before this Legislative Assembly that also would require an expenditure of ODE staff time. The cumulative effect of multiple enactments cannot be determined at this time.