

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 4014 – B

Seventy-Sixth Oregon Legislative Assembly – 2012 Regular Session
Legislative Fiscal Office

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Measure Description:

Abolishes District Best Business Practices Advisory Committee and authority to conduct best business practices audits. Prohibits education service district board from declaring office of director vacant if director resides in school district that withdraws from education service district unless director's term expires or director's office is otherwise declared vacant.

Government Unit(s) Affected:

Department of Education, Education Service Districts, Teacher Standards and Practices Commission, Oregon University System, Office of the Governor, Legislative Administration Committee, and School Districts

Summary of Expenditure Impact: See Analysis

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.

Analysis:

The measure removes requirements of the District Best Business Practices Advisory Committee, certain annual reports and data collection for the Department of Education and school districts.

The District Best Business Practices Advisory Committee that was established in HB 3141 (2007), allowed the Department of Education to contract with the Secretary of State to conduct audits of the best practices of school districts and education service districts. The Department was permitted by law to spend up to \$800,000 per biennium from the State School Fund for these audits. Abolishment of the committee and the authority to conduct these audits will return the \$800,000 to the State School Fund for distribution to schools. The Legislative Fiscal Office notes that expenditures for the committee have been suspended for the past two biennia.

The Department of Education anticipates cost savings of staff time and resources for the elimination of certain reporting and data collection requirements from school districts, observation of Arbor Week, History of Statehood Week, and Women in History Week, mediation for resolutions between school district boards and public charter school applicants, and the abolishment of the District Best Business Practices Advisory Committee.

The Department states that the measure will not require a reduction of staff, but that the workload of existing staff will shift to other priorities. The Legislative Fiscal Office notes that depending on the cumulative workload savings created by the measure, the legislature may need to review staffing requirements in the future should this legislation pass.

The Oregon School Boards Association states that the elimination of certain reporting requirements will provide a cost savings to school districts, the exact amount of which will vary by district depending on the staff time or resources.

The measure modifies several education related statutes. These changes include: permitting the director of an Education Service District (ESD) or pilot ESD to continue to serve in that position in the event that the resident school district withdraws from the ESD; requiring children 5 or 6 years of age who have been enrolled in a public school to regularly attend beginning in the 2012-2013 school year; requiring the State Board of Education to encourage increased learning time, and defines the term to mean a schedule that encompasses a longer day, week or year to increase the total number of school hours available, and is operative July 1, 2012; creation of the Task Force on Accountable Schools; extending the deadline for implementation of model core teaching standards in annual teacher evaluations; modifies requirements of services provided by ESDs to school districts that are not components of the ESD.

The measure establishes the Task Force on Accountable Schools that was previously established in HB 2289 (2011) and sunset at the convening of the 2012 legislative session. The task force is charged with recommending a new student summative assessment, evaluation measures of college and career readiness, statewide standardized performance report and rating system based on letter grades, implementation of formative testing and student performance data systems, and tools and resources for schools needing assistance to meet standards. The task force is required to submit a report to an interim committee related to education by November 1, 2012 and sunsets on the date of the convening of the 2013 regular session.

Members of the task force that are not members of the Legislative Assembly are not entitled to compensation. This fiscal assumes that membership on the task force will have a minimal expenditure impact on participating entities and that any resulting work can be absorbed with existing resources. Each affected entity will have to reprioritize duties and responsibilities of existing staff to allow participation on the task force.

The Legislative Assembly budget contains some funding for the participation of legislators on interim committees. The measure directs the Legislative Administration Committee (LAC) to provide staff support to the task force. LAC assumes that meetings will be held at the Capitol in conjunction with interim Legislative Days in order to reduce costs. If the cumulative effect of the enactment of other bills exceeds expenditure levels assumed in the Legislative Administration's budget, Legislative Administration may need to seek additional resources.

There is a minimal expenditure impact to the Department of Education and no fiscal impact to the Teacher Standards and Practices Commission, Oregon University System, or Governor's Office as a result of this measure.

The fiscal impact to school districts and to Education Service Districts is indeterminate. The Legislative Fiscal Office (LFO) has contacted representatives for these entities but has not received a response. If fiscal impact information is provided, LFO will issue a revised fiscal impact statement.