

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 2871 - A**

Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session  
Legislative Fiscal Office

*Only Impacts on Original or Engrossed  
Versions are Considered Official*

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Date: 5/27/2015

**Measure Description:**

Directs Higher Education Coordinating Commission to evaluate methods to improve effectiveness of public education at university level.

**Government Unit(s) Affected:**

Higher Education Coordinating Commission

**Summary of Expenditure Impact:**

	<b>2015-17 Biennium</b>	<b>2017-19 Biennium</b>
General Fund	\$1,100,000	
<b>Total Funds</b>	<b>\$1,100,000</b>	<b>\$0</b>
Positions	2	
FTE	1.36	

**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 bill establishes the Open Educational Resources (OERs) Grant Program, subject to the availability of funds, within the Higher Education Coordinating Commission (HECC) and directs the HECC to award grant funds to public universities and community colleges for the purposes of encouraging the use of low or no-cost open educational resources. The bill also requires the HECC to establish an open educational resource specialist position and to submit a report on the status of implementing the provisions of the bill to the interim legislative committees on higher education no later than December 1, 2015. By June 30, 2017, the HECC, in coordination with public universities and community colleges, is directed to identify open educational resources that can be adopted as the primary instructional material for at least 30 courses meeting specific qualities outlined by the bill. Public universities and community colleges are also directed to prominently designate courses whose course materials exclusively consist of open or free textbooks or other low-cost or no-cost course materials. The bill appropriates \$1.1 million General Fund to the HECC for the purpose of carrying out the OERs program.

The Open Educational Resource Specialist position will identify available OERs that may be adopted by Oregon, as well as provide training to public university and community college personnel and facilitating faculty members regarding the OERs program. This position is estimated to be hired as a limited-duration (.92 FTE) Education Specialist 2 at a cost of \$190,580 General Fund in the 2015-17 biennium. In addition, the OER Specialist will need a virtual location to house the OERs data, which will require an estimated \$25,000 for information technology infrastructure needs. To provide technical assistance in the development of contracts, compliance, reporting and monitoring of the OERs grants the HECC anticipates the need for one limited-duration Program Analyst 3 position (0.44 FTE) for an estimated cost of \$89,289 GF in the 2015-17 biennium. Total implementation costs to the HECC for the 2015-17 biennium are estimated to be \$304,869; which leaves \$795,131 of the total General Fund appropriation to be expended for the OERs grants. Community colleges report a total fiscal impact ranging between \$170,000 to \$340,000, for all 17 colleges, related to costs to make data system changes. Public universities report a minimal fiscal impact as a result of this legislation.