

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 2742 - 1**

80th Oregon Legislative Assembly – 2019 Regular Session  
Legislative Fiscal Office

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

Prepared by: Tim Walker  
Reviewed by: Doug Wilson  
Date: 03/11/2019

**Measure Description:**

Directs Department of Education to distribute grants for purpose of developing and diversifying education workforce for prekindergarten through grade 12.

**Government Unit(s) Affected:**

Department of Education (ODE), School Districts, Education Service Districts (ESD)

**Summary of Fiscal Impact:**

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

**Summary of Expenditure Impact:**

	<b>2019-21 Biennium</b>	<b>2021-23 Biennium</b>
General Fund	\$16,700,000	\$16,700,000
<b>Total Funds</b>	<b>\$16,700,000</b>	<b>\$16,700,000</b>
Positions	2	2
FTE	1.15	1.25

**Analysis:** The bill establishes the Next Generation Educator and Development Account and appropriates \$16.7 million General Fund to the account. The bill identifies specific limits for various types of grants, as well as administrative expenses incurred by the Oregon Department of Education (ODE), the Teacher Standards and Practices Commission (TSPC), and the Educator Advancement Council, as established and adopted by the State Board of Education. In addition, the bill requires \$1 local matching funds or in-kind contributions for each \$3 of state grant.

The Account will require ODE to distribute grant funds for middle and high school applicants to encourage students with an interest in education careers, to hire and attract diverse educators, provide planning grants to school districts or education service districts., and establish and support a 13-member advisory council to assist and review grants and scope of work by the departments involved. ODE will require an Education Specialist 1, one position (1.00 FTE), to administer the grant program and an additional Administrative Specialist, one position (0.25 FTE), in program and communication support. ODE will also establish an inter-governmental agreement with TSPC for support and administration related to this measure, and with the Education Advancement Council for work related with this measure.

School Districts and Education Service Districts are required to provide local matching funds or in-kind contributions. ODE has identified \$15.75 million General Fund for grants-in-aid. If all potential grant-in-aid funds are distributed, it may require up to \$5.25 million in matching funds or in-kind contributions from School Districts and Education Service Districts

This measure warrants a subsequent referral to the Joint Committee on Ways and Means for consideration of its budgetary impact on the State’s General Fund.