

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2166 - 5

81st Oregon Legislative Assembly – 2021 Regular Session
Legislative Fiscal Office*Only Impacts on Original or Engrossed
Versions are Considered Official*Prepared by: Tim Walker
Reviewed by: Tom MacDonald, Doug Wilson
Date: 04/13/2021**Measure Description:**

Directs Superintendent of Public Instruction to convene advisory group to review equity in education system of state and to report results of review to interim committee of Legislative Assembly related to education.

Government Unit(s) Affected:

Teacher Standards and Practices Commission (TSPC), Department of Education (ODE), Oregon Health Authority (OHA), School Districts, Higher Education Coordinating Commission (HECC)

Summary of Fiscal Impact:

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

Summary of Expenditure Impact:

	2021-23 Biennium	2023-25 Biennium
General Fund	\$9,369,813	
Other Funds	42,788	
Federal Funds	47,823	
Total Funds	\$9,460,424	
Positions	8	
FTE	7.72	

Analysis: The measure establishes the Early Childhood Suspension and Expulsion Prevention Program to be administered by the Early Learning Division (ELD) and establishes program requirements and allows ELD to adopt rules as necessary. In addition, the measure:

- Requires participation in the program for certification of childcare facilities or registration of childcare homes;
- Requires Oregon Department of Education (ODE) to convene an advisory group to propose social emotional learning standards and a statewide emotional framework for adoption by the State Board of Education (SBE);
- Establishes requirements for standards and framework and reporting requirements;
- Requires SBE to adopt rules relating to Educator Equity;
- Allows the Teacher Standards and Practices Commission (TSPC) to approve school districts, education service districts, or other entities as educator preparation providers;
- Allows educator preparation programs to operate provisionally without accreditation by a national organization under certain circumstances;
- Requires TSPC to establish standards for nontraditional pathways to licensure;
- Raises scholarship amounts for diverse teacher candidates from \$5,000 annually to \$10,000 annually; and
- Modifies the Educator Advancement Council (EAC).

Oregon Department of Education

ODE would need one Education Specialist 2 (0.92 FTE) to support the social emotional learning aspects of the amended bill at a cost of \$265,874 General Funds and one Program Analyst 4 (0.92 FTE) for carrying out the activities related to ELD at a cost of \$153,857 General Fund. In addition, ELD asserts they would need \$3.8 million General Fund to enter into agreements with Tribal Nations, Early Learning Hubs, Childcare Resource and Referral Networks (CCR&Rs), to support the hiring of Infant and Early Childhood Mental Health Consultants. ELD would also use \$1.8 million General Fund to support the evaluation of the program, incentives, database work and a contracted statewide coordinator for these activities. There is \$5.8 million General Fund included in the Governor's Recommended Budget for these initiatives, but it is unclear whether this \$5.8 million will or will not cover all of the costs the agency estimates is required to carry out this amended bill. Further analysis is required to determine if the full \$5.8 million is required to carry out the responsibilities under the bill. This merits further review by the joint Committee on Ways and Means.

Teacher Standards and Practices Commission

TSPC estimates their need \$1.5 million General Fund to reclassify four positions and to provide for five positions (5.00 FTE) (one Operations and Policy Analyst 4, three Education Specialist 2, and one Administrative Specialist 2) to establish nontraditional pathways and standards for those pathways. In addition, TSPC say it needs \$1.9 million General Fund to direct payments to educator preparation programs in nontraditional pathways for accreditation. The Governor's Recommended Budget includes a proposed \$3.4 million General Fund for this initiative, but it unclear whether the four positions have been approved for reclassification by the Department of Administrative Services so the cost may have to be re-evaluated by the Joint Committee on Ways and Means. In addition, further analysis is required to determine if the \$1.9 million is required in the bill.

Oregon Health Authority

The Early Learning Division is required to coordinate with OHA to develop a plan for integrated mental and behavioral health and social and emotional supports for children and families. OHA could potentially need limited-duration staff support to collaborate with ELD depending on the extensiveness of this work. At this time, the Legislative Fiscal Office anticipates this support being provided by existing staff in OHA's Health Systems Division who work on behavioral health programs focused on children and families.

Universities

The fiscal impact to Universities is indeterminate. The potential changes to teacher preparation programs may require additional coursework and preparation, whose scope is unknown at this time. The Universities do not anticipate near-term costs. It should be noted that the TSPC fiscal impact for this amended bill includes payments to the education preparation programs for accreditation. The Legislative Fiscal Office (LFO) also notes that appropriations are generally not made directly to public universities such as Oregon State University but to HECC for distribution to a public university.

This measure would have a minimal fiscal impact on School Districts, Higher Education Coordinating Commission (HECC), and Community Colleges. Depending on the demand for the Oregon Teacher Scholarship program, HECC may need additional Other Funds expenditure limitation for funds transferred from the Oregon Department of Education.

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.