

**REVENUE IMPACT OF  
PROPOSED LEGISLATION**  
81st Oregon Legislative Assembly  
2021 Regular Session  
Legislative Revenue Office

<b>Bill Number:</b>	<b>HB 2330 - A</b>
<b>Revenue Area:</b>	<b>School Finance</b>
<b>Economist:</b>	<b>Dae Baek</b>
<b>Date:</b>	<b>05/10/2021</b>

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

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**Measure Description:**

Removes the sunset on provisions that allow foreign exchange students residing in a dormitory operated by an Oregon school district to be considered resident students of the school district in which the dormitory is located. Makes small school district grants permanent and modifies a requirement for a high school to qualify as a small high school to receive such grants. Takes effect on passage.

**Revenue Impact:** No change in the formula revenue available for distribution to school districts and education service districts

**Impact Explanation:**

Governing laws on small school district grants and school district funding for foreign exchange students are scheduled to sunset on June 30, 2021. This bill removes the sunset.

Some school districts that house foreign exchange students in dormitories are eligible for receiving formula revenue. Currently five school districts (Mitchell, Spray, Ukiah, Burnt River, and Paisley) are receiving such revenue for about 40 students. There is a statutory cap of 47 students for which school districts can receive formula revenues.

Small school district grants of \$2.5 million per school year are designed to provide some additional operating revenues to districts with statutorily defined small high schools. Currently there are around 80 school districts that qualify for these grants. This bill also increases the weighted average daily membership (ADMw) cap of a school district with eligible small high schools from 8,500 to 9,500 to qualify for small school district grants. Small school district grants are commonly called small high school grants.

**Creates, Extends, or Expands Tax Expenditure:** Yes  No