

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 3178 - 1

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

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Measure Description:

Increases the scholarship amount that the Higher Education Coordinating Commission may award to culturally and linguistically diverse teacher candidates to use at approved educator preparation providers from \$10,000 to \$12,000 per academic year. Clarifies the definition of “teacher candidate.”

Government Unit(s) Affected:

Higher Education Coordinating Commission, Oregon Department of Education

Summary of Fiscal Impact:

Costs related to the measure are anticipated to be minimal - See explanatory analysis.

Analysis:

House Bill 3178, as amended by the -1 amendments, increases the scholarship amount that the Higher Education Coordinating Commission (HECC) may award to culturally and linguistically diverse teacher candidates to use at approved educator preparation providers from \$10,000 to \$12,000 each academic year, for a maximum of two academic years for each teacher candidate awarded such scholarships. The measure clarifies the definition of “teacher candidate” for purposes of these scholarship awards. The measure takes effect on January 1, 2024.

Higher Education Coordinating Commission

The measure is anticipated to have a minimal fiscal impact on HECC. HECC would need to conduct rulemaking to update the scholarship amounts awarded by this program, which it would continue to disburse as special payments.

According to HECC, there are currently 355 teacher candidates who receive these scholarships each academic year. Since 355 teacher candidates receive \$10,000 per year, HECC disburses an estimated \$3.55 million per year academic year, or \$7.1 million per biennium, and by increasing the amount to \$12,000 per recipient, HECC estimates that the measure would increase that amount by \$710,000 per year, or \$1.4 million per biennium, totaling \$4.26 million per year, or \$8,520,000 per biennium. However, it should be noted that because the measure does not increase the funding available for culturally and linguistically diverse teacher candidate scholarships, this fiscal impact statement assumes that, by increasing the scholarship amount that is awarded to each teacher candidate, the measure would therefore decrease the number of teacher candidates who are awarded these scholarships. For that reason, aside from new rulemaking, the measure may decrease the workload of HECC staff.

Oregon Department of Education

The measure is anticipated to have no fiscal impact on the Oregon Department of Education.