

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
81st Oregon Legislative Assembly
2022 Regular Session
Legislative Revenue Office

Bill Number:	HB 4026 - A
Revenue Area:	School Finance
Economist:	Dae Baek
Date:	2/23/2022

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

Measure Description:

Directs the Oregon Department of Education to award grants to qualified wildfire-impacted school districts in amounts to cover certain funding decreases resulting from reductions in the districts' average daily membership (ADM), as compared to the 2019-2020 school year, that are caused by the 2020 wildfires. Prescribes the methods to calculate funding decreases. Provides the grants for four school years, starting from the 2021-22 school year. Sunsets the grants on July 1, 2025. Establishes the School Stabilization Subaccount for Wildfire-impacted School Districts within the Statewide Education Initiatives Account (SEIA) to provide funds for awarding the grants. Transfers to the Subaccount \$25 million from the SEIA. Takes effect on passage.

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

Impact Explanation:

The Oregon Department of Education identifies four school districts that qualify for the grants in the 2021-22 school year. The grants will be provided to these school districts to make up for the decreases in the formula revenue distributions, the Student Investment Account and the High School Graduation and College and Career Readiness Fund. The amount of money needed for these grants is estimated to be \$4-6 million per school year. The grants will be provided for four school years, starting with the 2021-22 school year. Unspent money will be returned to the source of the fund for grants, the Statewide Education Initiatives Account.

Creates, Extends, or Expands Tax Expenditure: Yes No