

**HB 2767 B BUDGET REPORT and MEASURE SUMMARY**

**Joint Committee On Ways and Means**

**Prepared By:** Wendy Gibson, Department of Administrative Services

**Reviewed By:** Julie Neburka, Legislative Fiscal Office

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**Department of Education  
2023-25**

PRELIMINARY

**Budget Summary**

	2021-23 Legislatively Approved Budget	2023-25 Current Service Level	2023-25 Committee Recommendation	Committee Change from 2021-23 Leg. Approved	
				\$ Change	% Change
General Fund	\$ -	\$ -	\$ 2,601,745	\$ 2,601,745	100.0%
Other Funds Limited	\$ -	\$ -	\$ 3,150,000	\$ 3,150,000	100.0%
Total	\$ -	\$ -	\$ 5,751,745	\$ 5,751,745	100.0%

**Position Summary**

**Department of Education**

Authorized Positions	0	0	8	8
Full-time Equivalent (FTE)	0.00	0.00	5.40	5.40

**Summary of Revenue Changes**

House Bill 2767 appropriates \$2,601,745 General Fund to the Oregon Department of Education (ODE) to provide an appropriate education for students voluntarily enrolled in approved recovery schools. Other Funds revenue to support the approved recovery schools stems from the State School fund and the Statewide Education Initiatives Account.

The State School Fund consists of moneys appropriated by the Legislative Assembly and intended for distribution to school districts, with funding for certain purposes carved out. The Statewide Education Initiatives Account is funded by Oregon’s Corporate Activity Tax, with up to 30 percent of the amount collected directed toward statewide educational initiatives.

**Summary of Public Safety Subcommittee Action**

House Bill 2767 defines a recovery school as a secondary education program providing a holistic approach to health care services related to recovery from substance use disorder. ODE is authorized to enter into contractual agreements with up to nine approved recovery schools and directed to provide an appropriate education for students voluntarily enrolled in approved recovery schools by making payments from the State School Fund and the Statewide Education Initiatives Account.

Each approved recovery school will receive a special State School Fund Grant equal to the funding each student's resident school district would have received for the student without applying any percentage limitations. In addition, the Statewide Educational Initiatives Account will provide the additional funding necessary to ensure students enrolled in the approved recovery schools are funded equivalent to students enrolled in common and union high school districts.

The measure directs the State Board of Education to adopt rules prescribing the standards for a recovery school to become and operate as an approved recovery school, along with procedures to be applied when determining the funding allocations from the State School Fund and Statewide Education Initiatives Account.

Additionally, the measure directs ODE to convene an advisory committee with up to 15 members appointed by the Superintendent of Public Instruction. The Committee will meet at least four times yearly to provide recommendations, community input, and guidance on approving recovery schools.

For each biennium, a report summarizing the progress, successes, and challenges of approved recovery schools is to be submitted by ODE to the interim committees of the Legislative Assembly and the advisory committee, submitting the first report by January 1, 2028.

To carry out the provisions of this measure, the Subcommittee recommended a budget increase for ODE of \$2,601,745 General Fund to establish one limited duration Project Manager 2 position (0.13 FTE) and seven permanent full-time positions (5.27 FTE), including a Program Analyst 4 (0.96 FTE), Program Analyst 3 (0.96 FTE), Education Specialist 2 (0.58 FTE), Education Program Manager 3 (0.92 FTE), Administrative Support 2 (0.58 FTE), Administrative Support 1 (0.96 FTE), and Procurement Contracts Specialist 2 (0.31). The funding includes \$1,398,682 in Services and Supplies to support the new positions and provide the contracting funds necessary to implement the measure.

To make payments supporting the approved recovery schools, as prescribed by the measure, the Subcommittee also recommended an Other Funds expenditure limitation increase of \$1,100,232 from the State School Fund and an Other Funds expenditure limitation increase of \$2,049,768 from the Statewide Education Initiatives Account of the Fund for Student Success.

**DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION**

Department of Education  
 Wendy Gibson – 971-900-9992

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<b>SUBCOMMITTEE ADJUSTMENTS</b>									
<b>SCR 100 - Department Operations</b>									
Personal Services	\$ 1,203,063	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,203,063	8	5.40
Services and Supplies	\$ 1,398,682	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,398,682		
<b>SCR 300 - Grant-in-Aid and District Supports</b>									
Special Payments	\$ -	\$ -	\$ 3,150,000	\$ -	\$ -	\$ -	\$ 3,150,000		
<b>TOTAL ADJUSTMENTS</b>	<b>\$ 2,601,745</b>	<b>\$ -</b>	<b>\$ 3,150,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,751,745</b>	<b>8</b>	<b>5.40</b>
<b>SUBCOMMITTEE RECOMMENDATION</b>	<b>\$ 2,601,745</b>	<b>\$ -</b>	<b>\$ 3,150,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,751,745</b>	<b>8</b>	<b>5.40</b>

PRELIMINARY