



Legislative Fiscal Office
 83rd Oregon Legislative Assembly
 2025 Regular Session

Prepared by: MaryMichelle Sosne
 Reviewed by: Wendy Gibson, Matt Stayner
 Date: March 3, 2025

Bill Title: Relating to schools; prescribing an effective date.

Government Unit(s) Affected: Oregon Health Authority, School Districts, Department of Education

<Corrects expenditures in the table to include inflation for school-based health center grants.>

Summary of Fiscal Impact

2025-27 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Oregon Health Authority	\$ 10,587,445	\$ -	\$ -	\$ -	\$ 10,587,445	1	0.75
Total Fiscal Impact	\$ 10,587,445	\$ -	\$ -	\$ -	\$ 10,587,445	1	0.75

2027-29 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Oregon Health Authority	\$ 2,503,644	\$ -	\$ -	\$ -	\$ 2,503,644	1	1.00
Total Fiscal Impact	\$ 2,503,644	\$ -	\$ -	\$ -	\$ 2,503,644	1	1.00

Measure Description

The measure establishes \$70,000 as the minimum annual grant award for school-based health centers and requires the Oregon Health Authority (OHA) to adjust grant awards annually for inflation. The measure makes the following appropriations:

- \$1.8 million General Fund for school-based health center (SBHC) grants.
- \$600,000 General Fund to provide grants to five school districts or education service districts for school-based health center planning and technical assistance.
- \$7.9 million General Fund to develop and implement a grant program to increase and improve school-based mental health services and substance use prevention, screening, referral, and treatment services.

Fiscal Analysis

The fiscal impact of the measure is \$10.6 million General Fund, of which, \$10.4 million is attributed to General Fund appropriations for grants. This fiscal impact assumes the funding established for new grant programs is provided on a one-time basis.

School-Based Health Centers Grant Program

The school-based health center grant program has funding of \$10.8 million General Fund, which OHA intends to use to fund 90 school-based health centers in the 2025-27 biennium at a base funding rate of \$60,000 per school-based health center, per year. The measure appropriates an additional \$1.8 million General Fund to address the required nominal increase in the minimum annual grant award from \$60,000 to 70,000. However, the measure also requires OHA to recalculate the minimum grant award annually based on the rate of inflation

and the appropriation contained in the measure does not account for this annual increase. Without additional funding to account for inflation, OHA may need to reduce the number of school-based health centers receiving a grant. Based on the 2024 Consumer Price Index for All Urban Consumers, west region (all items) inflation rate of 2.4%, OHA would need an estimated \$2 million General Fund in 2025-27 and \$2.3 million General Fund in 2027-29. The estimated fiscal impact reflects the additional cost to fund 90 SBHC at the minimum annual grant specified in the measure, as adjusted for inflation. However, ongoing funding required to support grants will be dependent on the number of school-based health centers and annual rate of inflation.

Needs Assessment Grant Program

The measure includes a one-time \$600,000 General Fund appropriation for a new grant program to allow five school districts or education service districts to conduct a needs assessment. Of the total, \$450,000 will fund grants and \$150,000, or 25% of the total, will pay for a nonprofit organization to assist grant recipients with planning and oversight.

Mental or Physical Health Services and Substance Use Prevention

The measure appropriates \$7.9 million General Fund to implement a grant program to provide funding to unspecified entities for mental or physical health services and substance use prevention. Of this total, OHA assumes designating \$785,000 General Fund to Tribes for mental health services and substance use prevention. It is assumed this grant funding is a one-time appropriation.

Additionally, one full-time permanent Operations and Policy Analyst 2 position (0.75 FTE) will serve as a grant payment and contracts coordinator and will determine inflationary adjustments for grants. The estimated cost of the position, including personal services and standard position-related services and supplies costs is \$186,245 General Fund in 2025-27. The position increases to one full FTE in 2027-29, increasing costs to \$246,415 General Fund.

The measure has a minimal fiscal impact on the Department of Education and no fiscal impact on school districts.

Relevant Dates

The measure takes effect on the 91st day after sine die.