

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5002-04
Bill No.: HB 2277
Subject: Education, Elementary and Secondary; Elementary and Secondary Education
Department
Type: # Corrected
Date: March 24, 2010
Corrected assumptions

Bill Summary: This proposal removes summer school attendance as a factor in state aid calculation.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
General Revenue	\$119,700,000	\$131,600,000	\$0
Total Estimated Net Effect on General Revenue Fund	\$119,700,000	\$131,600,000	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses. This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Local Government	(\$119,700,000)	(\$131,600,000)	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Elementary and Secondary Education** assume the approximate state savings if no summer school ADA in the payment weighted ADA as follows:

FY10 - \$119.7 million

FY11 - \$131.6 million (assumes that the 2010 summer school ADA would equal the 2009 summer school ADA)

FY10 calculations were made using the February 2010 data set and the FY 11 calculations were made using the data set for the FY11 budget request.

Oversight assumes school districts would have a corresponding loss in state aid.

<u>FISCAL IMPACT - State Government</u>	FY 2011	FY 2012	FY 2013
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GENERAL REVENUE

Savings - Department of Elementary and Secondary Education - Decrease in cost of foundation formula funding

<u>\$119,700,000</u>	<u>\$131,600,000</u>	<u>\$0</u>
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ESTIMATED NET EFFECT ON GENERAL REVENUE

<u>\$119,700,000</u>	<u>\$131,600,000</u>	<u>\$0</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2011	FY 2012	FY 2013
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LOCAL POLITICAL SUBDIVISIONS

Loss - School Districts - Decreased state aid

<u>(\$119,700,000)</u>	<u>(\$131,600,000)</u>	<u>\$0</u>
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ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS

<u>(\$119,700,000)</u>	<u>(\$131,600,000)</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

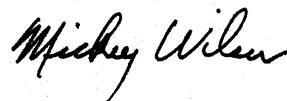
Currently, summer school attendance for the current school year is counted in the calculation of average daily attendance for state school aid. This proposal specifies that, beginning in Fiscal Year 2011, summer school attendance will not be included in the calculation. The proposed legislation also removes the requirement for students to attend summer school in two provisions relating to achievement standards and repeals a section that requires summer school to be a weighting factor in the school funding formula under certain circumstances after the 2009-2010 school year.

The proposal contains an emergency clause.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
March 24, 2010