



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 280** HLS 21RS 839
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: May 6, 2021	11:10 AM	Author: EDMONDS
Dept./Agy.: Education		
Subject: Student Scholarships for Educational Excellence Program		Analyst: Garrett Ordner

SCHOOLS/CHOICE EG SEE FISC NOTE GF EX See Note Page 1 of 1
 Provides relative to program administration and school eligibility for Student Scholarships for Educational Excellence Program

Proposed legislation amends statute relative to schools participating in the Student Scholarships for Educational Excellence Program (SSEEP). Requires the LA Department of Education (LDE) to conduct site visits each year at schools that fail to meet minimum standards for academic performance as determined by the accountability system provided for in state board policy or that are otherwise not in good standing with respect to the program in order to observe the learning environment. Removes the 20% cap on enrollment for participating schools that have been approved, provisionally approved, or probationally approved for less than two years. Provides that provisionally accredited approved schools shall be removed from the program if they do not receive accreditation within four years. Provides that beginning in the 2021-2022 school year, participating schools which fail for three consecutive years to meet minimum standards for academic performance shall be ineligible to participate in the program.

EXPENDITURES	2021-22	2022-23	2023-24	2024-25	2025-26	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						
REVENUES	2021-22	2022-23	2023-24	2024-25	2025-26	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There may be a potentially significant increase in SGF expenditures to the extent there is an increased availability of seats in the Student Scholarships for Educational Excellence Program (SSEEP) as a result of the removal of the 20% enrollment limitation for schools approved less than two years. The Department of Education (LDE) may experience costs to conduct additional site visits, however these are anticipated to be minimal.

The removal of the 20% enrollment limitation for participating schools that have been approved for less than two years may increase the number of nonpublic schools that seek to participate in the program and the overall availability of seats. It is unknown how many nonpublic schools were limited by the 20% cap under current law; however, to the extent it permits new schools to increase their enrollment of scholarship students, there will be an indeterminable but potentially significant increase in program demand and associated costs subject to legislative appropriation. The average annual scholarship award is approximately \$6,200 per student.

LDE may experience additional costs or workload associated with the required site visits to schools that fail to meet minimum standards for academic performance as determined by the accountability system provided for in state board policy or that are otherwise not in good standing with respect to the program in order to observe the learning environment. Current regulations allow for site visits to assess compliance with applicable health and safety regulations; however, no such site visits have been conducted in the current school year. Based on a review of historical records, LDE found that some parent complaints were tracked, but cannot confirm that this has been a consistent practice.

Any school that is removed from eligibility for the SSEEP due to failure to meet minimum standards for academic performance will result in a corresponding decrease in expenditures of approximately \$6,200 per student attending on scholarship, unless those students transfer to an alternate eligible institution. The number of students that may be impacted in this way is unknown and the impact on state expenditures is indeterminable.

The net impact to state expenditures is speculative and depends on program demand, the number of schools that are eligible to enroll students and the appropriation of funds for this purpose by the legislature.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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