

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 509** SLS 10RS 927
 Bill Text Version: **REENGROSSED**
 Opp. Chamb. Action: **w/ HSE COMM AMD**
 Proposed Amd.:
 Sub. Bill For.:

| | | |
|--|---------|------------------------------------|
| Date: June 7, 2010 | 2:21 PM | Author: LONG |
| Dept./Agy.: Education | | Analyst: Mary Kathryn Drago |
| Subject: Including LSMSA in the MFP | | |

SCHOOLS RE1 SEE FISC NOTE GF EX See Note Page 1 of 1
 Includes the Louisiana School for Math, Science, and the Arts in the MFP.

The proposed legislation repeals R.S. 17:1969 which contains language relative to the funding formula for the Louisiana School for Math, Science and the Arts. The legislation further provides for the board of directors to adopt a recommended formula to adequately fund the educational programs of the school. Funding for the school shall be provided directly to the school from the state general fund and through funds appropriated for the Minimum Foundation Program (MFP) and allocated to the school from the Department of Education. MFP funds allocated to the school shall be funded at 100% of the state per pupil amount as contained in the MFP budget letter. The amount of funding for any budget request that is not provided through the MFP shall be determined by the legislature.

| EXPENDITURES | 2010-11 | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 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> | \$0 |
| Annual Total | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| REVENUES | 2010-11 | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 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> | \$0 |
| Annual Total | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

EXPENDITURE EXPLANATION

The proposed legislation provides for funding for the Louisiana School for Math, Science, and the Arts (LSMSA) to be a combination of state general funds appropriated directly to the school and state general fund dollars allocated through the MFP. Based upon the FY 09-10 MFP state average per pupil amount and current enrollment figures, LSMSA would receive \$1,730,664, and any additional funding provided to the school will be determined by the legislature. Funding received in subsequent fiscal years will depend upon enrollment figures of the school.

Each student should receive from the MFP the state average per pupil amount, which currently is \$5,031. LSMSA would receive \$5,031 times the number of students currently enrolled in the school (344 students). It is not likely the proposed FY 10-11 MFP will include LSMSA students as proposed. If the proposed legislation is enacted and the schools are not included in the FY 10-11 MFP formula, LSMSA would not receive any allocation from the MFP until FY 11-12.

If the intent of the legislation is to replace current state general fund allocations to the schools with an equal amount of MFP funds, then there will be no additional cost to the state. However, if the budget for LSMSA is not reduced by a like amount, state general fund expenditures will increase.

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

13.5.2 >= \$500,000 Annual Tax or Fee Change

House

6.8(F) >= \$100,000 Annual SGF Cost

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

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Legislative Fiscal Officer