

LEGISLATIVE FISCAL OFFICE

Fiscal Note



Fiscal Note On: **HB 911** HLS 12RS 292
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: May 6, 2012	1:19 PM	Author: FOIL
Dept./Agy.: Education		Analyst: Mary Kathryn Drago
Subject: School Choice		

SCHOOLS/CHOICE EG INCREASE GF EX See Note Page 1 of 1
 Provides relative to the School Choice Pilot Program for Certain Students with Exceptionalities

The proposed legislation removes the limitation that the School Choice Pilot Program be a two-year pilot program. The current program operates in the following parishes: Caddo, Calcasieu, East Baton Rouge, Jefferson, Lafayette, Orleans, and St. Tammany. Currently, students must reside in one of those parishes to participate. The proposed legislation allows any student eligible to attend public school to participate. The Act will be implemented beginning with the 2013-14 school year.

EXPENDITURES	2012-13	2013-14	2014-15	2015-16	2016-17	5 -YEAR TOTAL
State Gen. Fd.	\$0	INCREASE	INCREASE	INCREASE	INCREASE	\$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

REVENUES	2012-13	2013-14	2014-15	2015-16	2016-17	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

Based on current participation rates in the School Choice Pilot Program for Certain Students with Exceptionalities, the proposed legislation could increase state general fund expenditures, but it is not likely to be significant. The proposed legislation will open the program to students in all grades rather than kindergarten through eight. In addition students residing outside of the program parishes are eligible to participate. The increase in cost for the program depends on the number of available seats in participating schools and the number of students participating from nonpublic or public schools.

Currently, the program has 185 students participating in grades kindergarten through eight in 12 schools in East Baton Rouge, Jefferson, Orleans, and St. Tammany. Approximately 85% of the students previously attended nonpublic schools and 15% previously attended public schools. The current budget is \$405,000 from a state general fund appropriation. Based on current participation figures, to open the program to grades 9 through 12 will not likely increase participation significantly. For illustrative purposes, if 50 to 65 additional students participate, and similar percentages of students participate from the same districts and nonpublic schools and public schools, the cost may increase from \$75,000 to \$94,000. For an additional 50 students, the increase in the cost of the program will be \$105,000, but if 15% of the students come from public schools the potential decrease in the MFP cost will be \$30,000 for a net increase of \$75,000. For an increase in 65 students, the cost of the program will be \$136,000, but if 15% of the students come from public schools the potential decrease in the MFP cost will be \$42,000 for a net increase of \$94,000.

The educational certificate is 50% of the per pupil allocation of state funds of the Minimum Foundation Program (MFP) in these districts. For each student that leaves the public school system to participate, the state will save 50% of the state share of the Minimum Foundation Program. The program is available to students that are currently enrolled in nonpublic schools and public school students in the following parishes: Caddo, Calcasieu, East Baton Rouge, Jefferson, Lafayette, Orleans and St. Tammany. The following amounts are 50% of the FY 12 per pupil state share of the MFP for eligible districts: Caddo \$2,565, Calcasieu \$2,460, EBR \$2,034, Jefferson \$1,994, Lafayette \$2,031, Orleans \$1,995, St. Tammany \$2,823.

REVENUE EXPLANATION

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

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>	
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}	<input type="checkbox"/> 6.8(F)1 >= \$500,000 Annual Fiscal Cost {S}	<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}			H. Gordon Monk Legislative Fiscal Officer