



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 1000** HLS 14RS 627
Bill Text Version: **ORIGINAL**
Opp. Chamb. Action:

Proposed Amd.:
Sub. Bill For.:

| | | |
|---|---------|-------------------------------|
| Date: April 8, 2014 | 4:04 PM | Author: TALBOT |
| Dept./Agy.: Education | | |
| Subject: Student Scholarships for Educational Excellence Program | | Analyst: Jodi Mauroner |

SCHOOLS/CHOICE OR SEE FISC NOTE GF EX Page 1 of 1

Provides relative to student eligibility requirements for the Student Scholarships for Educational Excellence (voucher) Program
The proposed legislation expands Student Scholarship for Educational Excellence (SSEEP) eligibility to those students whose parents determine the public school is not safe due to any of the following: acts or threats of violence; bullying; use of alcohol or illegal drugs; arson; sexual activity; theft of personal property; excessive disciplinary referrals or classroom disruptions.

| EXPENDITURES | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 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 | DECREASE | DECREASE | DECREASE | DECREASE | DECREASE | |
| Annual Total | | | | | | |

| REVENUES | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 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 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Annual Total | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

EXPENDITURE EXPLANATION

If students were eligible to participate in the Student Scholarships for Educational Excellence Program (SSEEP) as a result of parents citing an unsafe environment, then local public school district expenditures could decrease for those students moving from the public school system to the voucher program. The FY 14 Minimum Foundation Program formula calculates the average local cost per student to be \$3,544, however, a local school district may spend more or less than that amount from local resources on any individual student.

State Minimum Foundation Program (MFP) fund expenditures could decrease to provide full funding for a student entering in the voucher program rather than a public school. Typically, the state provides a lesser amount per pupil for a student participating in the voucher program than it would for that student to attend a public school in the same district. For FY 14, however, the \$5,300 average amount the state pays to participating non public schools is higher than the state per pupil average of \$5,060 and is projected to increase in FY 15. Therefore, there could be an increase in state general fund expenditures if the student moved to the SSEEP. The actual difference would depend upon the tuition of the voucher school the student may attend and the actual per pupil amount that would have been provided through the MFP.

The Department of Education not report data to determine the extent to which the types of incidents enumerated in the bill occur at schools in the local school districts. However, if the average tuition cost for a student in the voucher program is \$5,300 and the projected state and local expenditures for a student in the public school is \$8,605, the difference in total expenditures per student is \$3,305. For illustrative purposes, if an increase of 30 students were allowed participation in SSEEP as a result of this legislation, total state and local expenditures may decrease over \$100,000 in the first year.

Furthermore, the extent of any decrease will be capped by the number of schools participating in the program and the number of available slots they offer. For the 2013-2014 school year there were almost 12,000 applicants. In FY 14 there are 6,775 students being served in 126 participating schools. In FY 15, DOE has approved 136 schools, only 114 of which will be accepting new students because eight have been prohibited and 14 have chosen not to. The FY 15 total recommended budget is \$46.1M with a projected enrollment of 8,130.

REVENUE EXPLANATION

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

Senate

Dual Referral Rules

House

☐ 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

☐ 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}

☐ 6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S}

☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

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

Evan Brasseaux

Evan Brasseaux

Staff Director