

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 597** HLS 13RS 985
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 8, 2013 9:26 AM	Author: SEABAUGH
Dept./Agy.: Education	Analyst: Mary Kathryn Drago
Subject: Student Scholarships for Educational Excellence	

SCHOOLS/CHOICE OR SEE FISC NOTE LF EX Page 1 of 1
 Provides for the Student Scholarships for Educational Excellence Program

The proposed legislation provides that current law relative to the Student Scholarships for Educational Excellence Program shall be considered severable to give effect to each and every provision or application which is not held invalid, unlawful, or unconstitutional. The Student Scholarships for Educational Excellence Program provides vouchers for eligible students to attend participating nonpublic and public schools.

EXPENDITURES	2013-14	2014-15	2015-16	2016-17	2017-18	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	SEE BELOW					
Annual Total						
REVENUES	2013-14	2014-15	2015-16	2016-17	2017-18	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 the severability of every provision in current law for the Student Scholarships for Educational Excellence Program (voucher program) in the event any piece of the law is found to be invalid, unlawful, or unconstitutional. The legislation does not directly change the operations or funding for the program, however, if any section of the current law is found to be invalid, unlawful, or unconstitutional there could be an impact on expenditures. Any impact will depend upon the ultimate determination of the court, and then any subsequent changes to the program if it is to continue. It is not possible to determine any potential impact until a final ruling is made.

Act 2 of the 2012 Regular Legislative Session expanded the Student Scholarships for Educational Excellence Program from operating in Orleans Parish to a statewide program and changed the process of funding the vouchers from a direct appropriation to funding the vouchers through the Minimum Foundation Program. A ruling by Judge Tim Kelley of the 19th Judicial District Court found Act 2 to be unconstitutional for its directing of public Minimum Foundation Program (MFP) funds from public schools. The ruling has been appealed, but the state Supreme Court has not made a ruling regarding this program at the time this fiscal note was prepared.

The program allows students from all grades (K-12) to participate. Students attending, or would be attending for the first time (Kindergarten), any variation of a "C", "D", or "F" school and meet the program eligibility may participate (students in D and F schools are given priority). Participating students may attend any variation of an "A" or "B" public school or an approved nonpublic school. Funds for vouchers will be provided through the MFP for participating students to attend schools participating in the program.

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) >= \$500,000 Annual Fiscal Cost {S}
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux
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