

Department of Planning and Budget 2002 Fiscal Impact Statement

1. Bill Number HB1217

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Petersen

3. Committee Education

4. Title Estimate of public education funds.

5. **Summary/Purpose:** This bill directs the Superintendent of Public Instruction, in preparing and submitting estimates for budgetary purposes relative to the Basic School Aid Formula to each school division and to the local governing body of each county, city and town that operates a separate school division, to enumerate all state funding to be received by the school division, whether from basic aid or other state programs, and include a per pupil amount based on the projected average daily membership for the relevant school division for the coming fiscal year.

6. **Fiscal Impact:** (See 8.)

7. **Budget amendment necessary:** Yes. Item 138.

8. **Fiscal implications:** Currently, the Superintendent of Public Instruction shall, no later than the 15th day following final adjournment of the General Assembly, submit estimates to be used for budgetary purposes relative to the Basic School Aid Formula to each school division and to the local governing body of each county, city and town that operates a separate school division. Such estimates shall be for each year of the next biennium or for the next fiscal year.

This bill would require that the estimates enumerate all state funding to be received by the school division, whether basic aid or other state programs, and include a per pupil amount based on the projected average daily membership (ADM) for the relevant school division for the coming fiscal year. Within 10 days of providing such estimate, the Superintendent shall publish, for three consecutive days in a newspaper of general circulation within each such school division, a complete listing of such estimates and per pupil amounts for all school divisions in the Commonwealth and shall provide this list to each school division.

Currently, the Department of Education uses the Superintendent's memorandum process to communicate changes in funding to local school divisions. As part of this process, the department posts state entitlement information on its website in both PDF format and in Excel. Through the Excel program, localities are able to revise ADM to run various state funding scenarios. This information is posted when the Governor's introduced budget is released, when the House and Senate produce budget reports in mid-session, and when a final budget is authorized by the General Assembly. For example, in December 2001, state entitlement

information was provided to school divisions for fiscal year 2002, fiscal year 2003, and fiscal year 2004 that correlated to the figures included in the Governor's Introduced Budget.

The department would now be required to publish this information in newspapers. The cost for publishing would depend upon the size of the advertisement and the newspapers chosen to publish the data and the amount of department staff time required to prepare the materials for publication. Although it is difficult to quantify, the costs to the state could be substantial given the number of papers in which the data would need to be published and the length of time required for publishing.

9. Specific agency or political subdivisions affected: Department of Education, school divisions

10. Technical amendment necessary: No.

11. Other comments: None.

Date: 2/01/02/acd

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cc: Secretary of Education
Secretary of Finance