

## Department of Planning and Budget 2010 Fiscal Impact Statement

**1. Bill Number:** HB130

House of Origin      X      Introduced                  Substitute                  Engrossed  
Second House                 In Committee              Substitute                  Enrolled

**2. Patron:**        Pollard

**3. Committee:** Education

**4. Title:**         **Relating to local composite index**

**5. Summary:** Provides that the local composite index must be fixed at 0.6000 for any school division in which the average daily membership was fewer than 2,000 students during the preceding school year and in which the Free and Reduced Lunch participation exceeded 45 percent of the students. This bill provides that the provision will become effective on July 1, 2011.

**6. Fiscal Impact Estimates:** Preliminary. See item 8.

**Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2011	\$3,200,000	General Fund
2012	\$4,200,000	General Fund

**7. Budget Amendment Necessary:** Yes, Item 132 – HB/SB 30

**8. Fiscal Implications:** This legislation would allow divisions with an average daily membership less than 2,000 students for the preceding school year and a Free and Reduced Lunch participation greater than 45 percent to fix their local composite index at 0.6000. Based on the Governor's introduced budget, the state fiscal impact is estimated to be \$3.2 million in fiscal year 2011 and \$4.2 million in fiscal year 2012. The following localities would be affected by this legislation: Chesterfield, Essex, Fluvanna, Highland, Lancaster, Northumberland, Surry, and Westmoreland.

**9. Specific Agency or Political Subdivisions Affected:** Board of Education and local school divisions.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.

**Date:** 1/25/2010 dpbsbj

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