Department of Planning and Budget
2009 Fiscal Impact Statement

1. **Bill Number:** HB2063

   House of Origin X Introduced ___ Substitute ___ Engrossed

   Second House ___ In Committee ___ Substitute ___ Enrolled

2. **Patron:** Hamilton

3. **Committee:** Appropriations

4. **Title:** **Triennial census of school population; sales and use tax distribution**

5. **Summary:** Eliminates the requirement that every three years a census of all school-age persons residing within each school division take place. Also eliminates all related requirements regarding appointment and compensation of persons taking census, agents, and census results. Amends the procedure regarding sales and use tax distribution to localities so that distribution is based on the average daily membership of the school division rather than the school-age population of a school division.

6. **Fiscal Impact Estimates:** Preliminary. See below.

   6a. Expenditure Impact:

Fiscal Year	*Dollars*	*Fund*
2010	$3,100,000	General
2011	TBD	General
2012	TBD	General
2013	TBD	General
2014	TBD	General
2015	TBD	General

   Costs for the out years are impacted by the composite index and enrollment projections. These costs cannot be determined at this time because the composite index data for the next biennium are not known.

7. **Budget Amendment Necessary:** Yes, Item 140 – HB1600.

8. **Fiscal Implications:** This legislation modifies the current methodology used to distribute sales tax revenue. Sales tax is currently distributed on the basis of a triennial census of school age population. This bill changes that methodology to distribute sales tax based on the Average Daily Membership (ADM).

   Based on the Governor's introduced budget, the Department of Education estimates this change in the distribution method, will result in a general fund cost of $3.1 million in FY 2010, as well as increases to the Required Local Effort of some localities. Local school divisions will experience some cost savings from not conducting the triennial census;

however, these savings cannot be determined at this time since the data collection methods vary from locality to locality.

Any fiscal impact associated with secondary uses of school age population cannot be determined at this time.

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

10. Technical Amendment Necessary: No.

11. Other Comments: Similar to SB1342.

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cc: Secretary of Education