

Department of Planning and Budget 2008 Fiscal Impact Statement

1. Bill Number: HB437

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

2. Patron: Miller, J.H.

3. Committee: Education

4. Title: **Composite index formula for basic state aid to public schools.**

5. Summary: Requires division superintendents to include the number of students enrolled in the public schools of the school division for whom English is a second language in estimating the amount of money that will be needed during the next fiscal year for the support of the public schools of the school division. Also, the Department of Education must include the percentage of such students in the public schools of each school division when calculating the composite index of local ability-to-pay. In addition, the Superintendent of Public Instruction must prepare or cause to be prepared the calculation of the composite index of local ability-to-pay to include the percentage of such students in every school division.

6. Fiscal Impact Estimates: Preliminary.

6a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2009	\$11,400,000	0	GF
2010	\$11,900,000	0	GF
2011	\$13,328,000	0	GF
2012	\$13,727,840	0	GF
2013	\$15,375,181	0	GF
2014	\$15,836,436	0	GF

7. Budget Amendment Necessary: Yes. Item 140, HB/SB30

8. Fiscal Implications: The bill would change the composite index formula for basic aid by including the percentage of students enrolled in local school divisions for whom English is a second language. The Department of Education estimates that this change in the state share would be \$11.4 million in FY 2009 and \$11.9 million in FY 2010.

The estimated state share of costs for this bill would be approximately \$13.3 million in FY 2011, \$13.7 million in FY 2012, \$15.4 million in FY 2013, and \$15.8 million in FY 2014, based on HB/SB 30 and using 12 percent inflation for 2011 and 2013 and 3 percent for 2012 and 2014.

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

10. Technical Amendment Necessary: No.

11. Other Comments: No.

Date: 1/30/2008 dpb

Document: G:\Dape-197\2008session\Fis\Hb437 .Doc

c: Secretary of Education