

Department of Planning and Budget 2020 Fiscal Impact Statement

1. Bill Number: HB1031

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Adams, L.R.

3. Committee: Education

4. Title: Regional alternative education programs; funding.

5. Summary: Requires the funding transferred from the Department of Education to the relevant school divisions in support of a regional alternative education program to be based on each such school division's need for the current school year.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: Indeterminate. See Item 8.

8. Fiscal Implications: Language in Item 145.C.f of HB/SB 30, 2020 General Assembly Session, requires regional alternative education programs to be funded based on the state's share of the incremental per pupil cost for providing such programs. This incremental per pupil amount is in addition to the basic aid per pupil funding provided to the affected school division for such students. The Department of Education (DOE) deducts the state basic aid per pupil amount of each division in its regional alternative education calculation, which makes these payments a true add-on to basic aid. DOE does not deduct the actual local expenditure per pupil for the support of those students placed by the relevant school division in a regional alternative education program.

School divisions receive an allocation of alternative education program slots, and a total add-on cost is calculated for each division based on the slot allocation. Each division's initial slot allocation is held constant each year, and in the event a school division does not use all of the student slots it is allocated under this program, budget language permits the unused slots to be reallocated or transferred to another school division. Therefore, currently payments are made based upon actual participation in the current year up to the number of student slots allocated for each division in the formula. Consequently, it is not clear if this bill will change how payments are made.

If DOE deducts the actual local expenditure per pupil for the support of those students placed by the relevant school division in a regional alternative education program, the state and local fiscal impact is indeterminate.

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

10. Technical Amendment Necessary: No

11. Other Comments: None