



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **SB 313** SLS 24RS 491
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.: **w/ PROP #2 SEN COMM AMD**
 Sub. Bill For.:

Date: May 1, 2024	5:52 PM	Author: EDMONDS
Dept./Agy.: EDUCATION		
Subject: Education Scholarship Account Program		Analyst: Julie Silva

SCHOOLS EG INCREASE GF EX See Note Page 1 of 1

Creates the Louisiana Giving All True Opportunity to Rise (LA GATOR) Scholarship Program to provide educational savings accounts for parental choice in K-12 education. (See Act)

Proposed legislation creates the Louisiana Giving All True Opportunity to Rise (LA GATOR) Scholarship Program, a universal education scholarship account (ESA) program for students in grades K-12. Provides for legislative intent in regards to the purpose of the program. Requires the Louisiana Department of Education (LDOE), in coordination with the Board of Elementary and Secondary Education (BESE) to conduct a comprehensive survey on educational resources and to report the results of such survey to legislature no later than 12/01/24. Authorizes BESE to use these findings to develop the LA GATOR program and authorizes the board to promulgate rules upon approval of the program by a majority of its membership. Permits LDOE and BESE to use any available public funds to meet the requirements of proposed legislation but restricts implementation of an approved ESA program subject to a specific appropriation of funds by the legislature each year.

This fiscal note is updated to reflect Amendments Set #2655 proposed in the Senate Finance Committee. on 4/29/24.

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						
REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The reporting requirements in proposed legislation are expected to lead to an increase in state governmental expenditures. The scope of the proposed survey will result in additional workload for the Louisiana Department of Education (LDOE) and the Board of Elementary and Secondary Education (BESE) in the first two quarters of FY 25, but specific costs are unknown at this time. LDOE currently collects several reporting items enumerated in proposed legislation; however, the department reports evaluations to determine its ability to collect and report on a few of the items is ongoing. The LFO will continue work with the department and this fiscal note will be revised to reflect any updated information once it has been received and reviewed.

Proposed legislation permits BESE to develop an ESA program based on the report's findings, and upon approval of such program, to promulgate rules necessary for its implementation. Based on information provided to the LFO, the cost to develop an ESA program is estimated to total \$1.8 M. This cost includes \$261,726 for LDOE to create one (1) Education Program Consultant (EPC) 4 (\$84,989 base salary, \$37,098 related benefits, and \$16,500 operating expenses) and one (1) Budget Analyst (BA) 4 (\$74,235 base salary, \$32,404 related benefits, and \$16,500 operating expenses). The EPC 4 will be responsible for the implementation of the program, policy and guidance development, partner/vendor management, and public outreach. The BA 4 will manage the fiscal portion of the program and, in collaboration with other LDOE finance staff and/or the external vendor, ensure that the program has appropriate fiduciary accountability. This estimate also includes the cost to develop a system for parents to direct account funds to participating schools and service providers by electronic or online funds transfer. Based on previously implemented systems, LDOE estimates a one-time setup cost of \$1 M. Setup includes working with a vendor to design a process for review and approval of expenditures, a payment process, and to develop program reports. The department reports an additional \$500,000 will be required to cover communications costs to promote the program.


Proposed legislation permits LDOE and BESE to use available state funds to perform the duties enumerated in the bill; however, **implementation of the LA GATOR program is contingent upon the annual appropriation of funds by the legislature for the purposes of the program.**

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}


Patrice Thomas
Deputy Fiscal Officer