

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 330** HLS 15RS 903  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> April 27, 2015	6:45 PM	<b>Author:</b> BADON
<b>Dept./Agy.:</b> Education		<b>Analyst:</b> Jodi Mauroner
<b>Subject:</b> Voucher Schools		

SCHOOLS/CHOICE OR INCREASE GF EX See Note Page 1 of 1  
 Provides relative to eligibility requirements for nonpublic schools participating in the voucher program

Current law caps enrollment of voucher students at nonpublic participating schools which have been provisionally or probationally approved for less than 2 years at 20%. Proposed legislation would authorize the Dept of Education to provide an exception if an independent audit determines that the governing authority has demonstrated a proven record of successful operation.

<b>EXPENDITURES</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>						
<b>REVENUES</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

State general fund expenditures will likely increase if enrollment in voucher schools increases. Voucher payments will increase, but there could be a corresponding decrease in the Minimum Foundation Program funding formula (MFP) for students currently enrolled in a public school. However, for kindergarten students enrolling in a non-public participating school there will be no MFP reduction, as these students are not included in the MFP enrollment count. A total of 7,326 students were enrolled in the voucher program for the first quarter of the 2014-2015 school year. Of these, 1,216 or 17% were kindergarten students. Further of the total participating students, approximately 52% first enrolled in the program as kindergarten students.

While voucher payments equal the per pupil amount allocated in the MFP inclusive of both state and local allocation amounts, the full amount is paid entirely by the state. However, the voucher payment shall not exceed actual tuition amounts. To the extent the maximum tuition paid is greater than the state per pupil allocation, expenditures will increase. For FY 15 the MFP average state and local cost per pupil allocation is \$8,853. The average state cost per pupil allocation is \$5,185. The average voucher payment amount is approximately \$5,545.

Additionally, there may be increased costs associated with the DOE's selection of a third party to conduct an independent evaluation of the governing authorities operations, however the legislation does not clarify who would be responsible for those costs.

**REVENUE EXPLANATION**

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

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|---|----------------------------|-------|--|
| Senate  | <u>Dual Referral Rules</u> | House | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}                    |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}       |                            |       | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 Rev. Red. to State {H & S}                 |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} |                            |       | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

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