

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 211** HLS 21RS 405

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 27, 2021	6:23 PM	Author: WRIGHT
Dept./Agy.: Education		Analyst: Garrett Ordner
Subject: School Choice		

SCHOOLS/CHOICE

OR SEE FISC NOTE GF EX

Page 1 of 2

Provides relative to public school choice

Proposed legislation requires the Board of Elementary and Secondary Education (BESE) to consider appeals from parents or guardians who request an intradistrict transfer for a student and are denied. If BESE approves the appeal, schools with a waiting list may use their discretion in determining to place the student ahead of other prospective students on the waiting list. The proposed legislation requires BESE to fund any student who transfers to a school under the jurisdiction of a different governing authority than the student's previous school in the same manner as students attending a Type 2 Charter School and the most recently approved Minimum Foundation Program (MFP) Formula. Such students will not be included in the new school's accountability ratings system for two years after enrollment. BESE shall identify and pursue federal, state, and philanthropic sources of funding to provide incentives and supports to schools that enroll students pursuant to R.S. 17:4035.1. School districts must notify parents or guardians of students enrolled in schools that received a "D" or "F" performance letter in the most recent school year of their ability to request a transfer.

EXPENDITURES	2021-22	2022-23	2023-24	2024-25	2025-26	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	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	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total						
REVENUES	2021-22	2022-23	2023-24	2024-25	2025-26	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	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total						

EXPENDITURE EXPLANATION

There will be increased state costs to the Board of Elementary and Secondary Education (BESE) of \$77,900 per year to process appeals. There will be an indeterminable change in local expenditures and state costs through the Minimum Foundation Program (MFP) as a result of student transfers between different school systems.

BESE anticipates the need to add one position to process appeals for an estimated cost of \$75,000 (including \$49,400 salary and \$25,600 related benefits). In addition, BESE would require \$2,450 in operating expenses and \$435 in professional services annually to conduct an additional special meeting to process the appeals, for a total cost of \$77,900 per year.

The Department of Education (LDE) reports that school districts now have the authority to receive students from other systems. Under present law, the sending school district first excludes the transfer student from their MFP student membership count, and the receiving school district then includes the transfer student within their MFP student membership count. Under the proposed law, the student will instead remain within the MFP student membership count of their original school district.

SEE EXPENDITURE EXPLANATION CONTINUED ON PAGE TWO

REVENUE EXPLANATION

There will be indeterminable changes in the amount of MFP revenues received by each school district due to the reallocation of the local cost allocation from the district in which a transfer student resides to the district in which they attend school.

The Department of Education (LDE) reports that school districts now have the authority to receive students from other systems. Under present law, the sending school district first excludes the transfer student from their MFP student membership count, and the receiving school district then includes the transfer student within their MFP student membership count. In this way, the MFP funds follow the student automatically. Any transfers of local funds are negotiated between the two school districts.

SEE REVENUE EXPLANATION CONTINUED ON PAGE TWO

Senate
 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}

Alan M. Boxberger

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Staff Director

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CONTINUED EXPLANATION from page one:
EXPENDITURE EXPLANATION CONTINUED FROM PAGE ONE

The MFP state cost per pupil varies by district. Any student transfer associated with the proposed measure will result in a marginal, though indeterminable, change in state expenditures, as the cost to the state will be different than if the student were counted in the membership of the district in which they attend school. The net impact to the state is indeterminable.

Local school systems would receive the total state and local per-pupil allocation from the MFP formula for each additional student that enters the school system to fund the costs of educating each student.

REVENUE EXPLANATION CONTINUED FROM PAGE ONE

Under the proposed law, students who transfer to a school in a district other than the one in which they reside will be funded in the same manner as students attending a Type 2 charter school. The student will be included in the MFP membership of the district in which they reside for the purpose of determining local support and local cost allocation. The state will fund the district receiving the student with the per-pupil state and local allocations for the district in which the student resides. The local allocation will be deducted from the state MFP payments to the school district in which the student resides.

Note: The transfer of the local revenue representation amount between school systems for transferring students is not specifically referenced in the BESE-adopted MFP formula (SCR 2) and cannot be implemented until the formula is amended and readopted by BESE and the legislature.

LDE reports that the proposed law could potentially result in less MFP funding received by school systems for their D or F schools, to the extent enrollment drops in those schools because of the proposed law. The extent of that impact is indeterminable at this time.

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}

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