

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



Fiscal Note On: **SCR 23** SLS 13RS 483  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> May 15, 2013 12:38 PM	<b>Author:</b> APPEL
<b>Dept./Agy.:</b> Department of Education/BESE	<b>Analyst:</b> Mary Kathryn Drago
<b>Subject:</b> Minimum Foundation Program	

BESE OR INCREASE GF EX See Note Page 1 of 1  
 Provides legislative approval of the MFP formula for FY 2013-2014 as adopted by BESE on March 8, 2013.

The proposed concurrent resolution provides for the FY 13-14 Minimum Foundation Program (MFP) formula that was adopted by the Board of Elementary and Secondary Education on March 8, 2013. The formula contains 4 levels: Level 1-provides for the calculation of the total MFP costs and the proportion supported by the state and local school districts; Level 2- provides incentive for local effort; Level 3- provides supplementary funding; and Level 4- provides for school level funding.

<b>EXPENDITURES</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</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>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</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**

The proposed concurrent resolution is based upon the Minimum Foundation Program (MFP) formula that was adopted on March 8, 2013 which results in an estimated increase in state general fund expenditures of \$30.1 million for FY 13-14. This estimate excludes funding the number of Student Scholarships for Educational Excellence Program students who are participating in the current year. The \$30.1 million estimate is anticipated to decrease based on a projected increase in participation of the scholarship program for FY 14. The FY 14 scholarship program enrollment has not been finalized. However, the state average per pupil amount in the MFP is \$5,036 and the average tuition amount for the scholarship program is \$5,100. Therefore, as the student enrollment in the MFP decreases for students moving into the scholarship program, the cost will decrease in proportion to the increase in cost of the scholarship program.

The increase in the MFP results from an increase of 8,430 students from the prior year and changes in local revenue. However, this increase in students will be offset by moving the Student Scholarships for Educational Excellence Program students out of the MFP due to a ruling by the Supreme Court. In the current year approximately 4,800 students are participating. The Department of Education has reported that approximately 7,800 students may participate in FY 14. These students will likely be funded by a line item appropriation. If the average tuition amount is \$5,100 for FY 14 and approximately 7,800 students participate, the cost for the Student Scholarships for Educational Excellence Program will be approximately \$40 million.

**REVENUE EXPLANATION**

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

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input checked="" type="checkbox"/> 6.8(F) >= \$500,000 Annual Fiscal Cost {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}

*Evan Brasseaux*  
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**Staff Director**