

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



Fiscal Note On: **SB 249** SLS 15RS 264

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> April 8, 2015	5:06 PM	<b>Author:</b> WARD
<b>Dept./Agy.:</b> Education		<b>Analyst:</b> Jodi Mauroner
<b>Subject:</b> Voucher school loan fund		

SCHOOLS OR SEE FISC NOTE SD EX Page 1 of 1  
Creates the School Choice Loan Fund. (gov sig)

Proposed legislation creates the School Choice Loan Fund for the purpose of providing low-interest loans to assist qualified non-public schools participating in the Student Scholarships for Educational Excellence Program (SSEEP) and for schools enrolling students awarded scholarships through the Tuition Donation Program with funding to start a new school, expand an existing school and for program related administrative and legal costs. Loans shall be made only to schools for which scholarship students comprise at least 50% of the total enrollment. Requires BESE to adopt rules governing the application and approval process which shall ensure loan funds may only be used for administrative and legal costs and to purchase tangible items such as equipment, technology, materials and facility acquisition, construction, renovation or repairs, which shall become the property of the state if the loan is not fully repaid. Loans shall not exceed \$100,000 and shall only be used to pay for start-up or expansion costs. Source of funding for the School Choice Loan Fund is any money appropriated, grants or other donations. Effective upon governor's signature.

<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.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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>						

**EXPENDITURE EXPLANATION**

There will likely be an impact to state general fund expenditures if the source of the appropriation is from the state general fund or from monies that would otherwise be deposited to the state general fund. There will be an increase in statutorily dedicated expenditures from the School Choice Loan Fund to the extent there are deposits into the fund and legislative appropriations out of the fund. Expenditures will be limited by the number of applicants, the \$100,000 maximum loan amount and the delineated uses of loan funding. Furthermore, the requirement that BESE promulgate rules establishing policies regarding credit, collateral, closing, interest rate, terms, repayment and collection processes will also determine the availability and expenditure of funds.

**REVENUE EXPLANATION**

The School Choice Loan Fund will generate revenue from interest rates established by BESE as authorized by the bill. The amount will depend upon the rates, terms and repayment process promulgated by BESE. The Fund will also recognize investment returns. The amount of such returns will depend upon the amount appropriated to the fund and the investment practices of the Treasurer.

- |   |                            |              |  |
|---|----------------------------|--------------|--|
| <u>Senate</u>   | <u>Dual Referral Rules</u> | <u>House</u> | <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} |

*Evan Brasseaux*  
**Evan Brasseaux**  
**Staff Director**