

FISCAL NOTE

	FY 2020	FY 2021	FY 2022
NON-ADMINISTRATIVE IMPACT			
Anticipated Revenue (decrease)			
SCHOOL FOUNDATION FUND	(\$800,000)	(\$1,500,000)	(\$2,200,000)
	FY 2020	FY 2021	FY 2022
NON-ADMINISTRATIVE IMPACT			
Anticipated Expenditure increase			
SCHOOL FOUNDATION FUND	\$1,500,000	\$3,800,000	\$6,300,000

Source of revenue (decrease) and expenditure increase:

The source of the School Foundation Program Account (SFP) revenue decrease and expenditure increase comes from the decrease in school district recapture revenue and the increase in school district entitlement payments due to estimated increases in the school foundation program guarantee amount through amendments to the education resource block grant funding model's (funding model) transportation component. The total estimated funding model impact of this bill is an increase of funding to school districts of \$2,300,000 for FY 2020, \$5,300,000 for FY 2021 and \$8,500,000 for FY 2022.

The estimated expenditure increase for school bus purchases and leases is indeterminable due to insufficient time and unknown promulgation of rules by the department of education.

Assumptions:

The above estimates were determined using forecast funding models utilized by LSO, based on the most recent available data. The estimates consider the modification to the funding model by this bill to provide 100 percent reimbursement for allowable K-12 transportation expenditures. Currently, expenditures for transportation maintenance and operations is capped based upon the average of expenditures from FY 2014 through FY 2016. It is assumed school district's expenditure would increase by 4 percent each year using FY 2018 actual expenditures as the base year. The impact of removing the soft moratorium on new school bus purchases is unknown.