

FISCAL NOTE

This bill contains an appropriation of \$2,000,000 from the AMOUNTS PREVIOUSLY APPROPRIATED to the Department of Education (WDE). This amendment modifies the appropriation's time period to end June 30, 2020. The WDE indicates this amendment will provide for an approximate \$300,000 expenditure increase in fiscal year (FY) 2020, based upon the current administration of the appropriation, and an estimated \$700,000 reversion at the end of FY 2020.

	FY 2021	FY 2022	FY 2023
NON-ADMINISTRATIVE IMPACT			
Anticipated Revenue (decrease)			
SCHOOL FOUNDATION FUND	(\$400,000)	(\$300,000)	(\$400,000)

	FY 2021	FY 2022	FY 2023
NON-ADMINISTRATIVE IMPACT			
Anticipated Expenditure increase			
SCHOOL FOUNDATION FUND	\$3,000,000	\$3,200,000	\$3,300,000

Source of expenditure increase and revenue (decrease):

Increased expenditures from the School Foundation Program Account (SFP) in the form of increased entitlement payments and decreased revenue to the SFP in the form of decreased recapture payments as a result of modifications to the education resource block grant model's (funding model) reimbursements for special education. The absolute impact within the funding model is an estimated expenditure increase of \$3,400,000 in FY 2021, \$3,500,000 in FY 2022 and \$3,700,000 in FY 2023.

Assumptions:

Special education expenditures are assumed to increase 1.25% in FY 2020 and 4% each year thereafter, using school year 2018-19 expenditures as the base year.