

**SENATE APPROPRIATIONS COMMITTEE
FISCAL NOTE**

BILL NO. House Bill 224

PRINTER NO. 2180

AMOUNT

\$4,547,000

FUND

General Fund

DATE INTRODUCED

January 26, 2015

PRIME SPONSOR

Representative Christiana

DESCRIPTION AND PURPOSE OF BILL

House Bill 224 makes the following changes to the Public School Code of 1949:

Public School Web Accountability and Transparency Act (SchoolWATCH) – Requires the Department of Education to post annual financial information related to public school entities on its Internet website. Requires the following information to be posted related to each school entity: total expenditures by category; per student expenditures; charter school tuition rates; average daily membership; average teacher salary; total revenue by source; general fund balance; a link to the school entity’s website; a summary of financial report data; a non-administrative and administrative staff compensation report; and, a statement instructing the public to contact the public school entity for access to any union contract. Specifies that the information required to be posted must be accessible as a “View Fiscal Information” icon located on the school entity’s annual School Performance Profile and must contain an electronic feature that will allow the public to compare financial information for a minimum of four schools.

Charter School Pension and School Employees’ Social Security

Precludes charter and cyber charter schools from receiving funds from the appropriations for social security costs and school employees’ retirement costs.

Community Colleges

Provides for community colleges to receive the same allocation as in fiscal year 2014-2015 and a pro rata share \$6,470,000 based on college’s share of full-time equivalent students.

Alternative Education Program Application Fees – Reenacts provisions contained in the Fiscal Code requiring alternative education programs to submit application and renewal fees to the Department of Education.

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Basic Education Funding – Provides for school districts to receive a basic education funding allocation in the same amount as the previous year until such time that the fiscal year 2015-2016 Basic Education Funding appropriation exceeds the fiscal year 2014-2015 Basic Education Funding appropriation. It requires payments to be made to school districts no later than October 29, 2015. If insufficient funds are appropriated, payments are to be made on a pro rata basis.

At such time when the fiscal year 2015-2016 Basic Education Funding appropriation exceeds the fiscal year 2014-2015 Basic Education Funding appropriation, school districts will receive a basic education funding allocation based on the formula recommended by the Basic Education Funding Commission. Each school district would receive the amount it received in fiscal year 2014-2015 and the distribution of any future funding increases heretofore under the formula that considers a weighted student count based on student factors, wealth, tax effort/capacity and sparsity/size.

Special Education Funding- Provides for school districts to receive a special education funding allocation in the same amount as the previous year until such time that the fiscal year 2015-2016 Special Education Funding appropriation exceeds the fiscal year 2014-2015 Special Education Funding appropriation. It requires payments to be made no later than October 29, 2015. If insufficient funds are appropriated, payments are to be made on a pro rata basis.

At such time when the fiscal year 2015-2016 Special Education Funding appropriation exceeds the fiscal year 2014-2015 Special Education Funding appropriation, school districts will receive a special education funding allocation based on the formula recommended by the Special Education Funding Commission and contained in the Fiscal Code for distribution of the 2014-2015 Special Education Funding appropriation. The formula considers a weighted student count based on student costs, wealth, tax effort and sparsity/size.

In addition, the bill provides for intermediate units to be funded at an amount equal to 5.5% of the Special Education Funding appropriation and for 1% of the Special Education Funding appropriation to be set-aside and be awarded to school districts and charter schools for extraordinary special education expenses.

Libraries

Provides for each library to receive a pro rata share of funding based on its prior year allocation.

Use of Undistributed Funds

Allows the Department of Education to use up to \$4,500,000 in undistributed funds to assist school districts in financial distress or identified for financial watch status.

Vocational Education Equipment Grant

Provides for the distribution of funding based on a formula that provides a base amount of \$3,000 to each area vocational-technical school or school district with an approved program and distributes the remainder of \$3,000,000 in funding based on average daily membership.

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Ready to Learn Grants

Provides for the allocation of Ready to Learn Grants to school districts, charter schools and cyber charter schools in the same amount as fiscal year 2014-2015.

FISCAL IMPACT:

The Department of Education has estimated that the provisions related to implementing SchoolWATCH will cost \$47,000 annually.

The distribution of Basic Education Funding, Special Education Funding, Community College Funding, Library Funding, Vocational Education Equipment Grants and Ready to Learn Grants will be dependent on appropriations made by the General Assembly in the General Appropriations Act.

Allows for the use of \$4,500,000 in unexpended funds to be used for school districts in financial distress and financial watch status.