

FISCAL NOTE

	FY 2022	FY 2023	FY 2024
NON-ADMINISTRATIVE IMPACT			
Anticipated Revenue increase			
SCHOOL FOUNDATION PROGRAM ACCOUNT	\$6,600,000	\$6,200,000	\$5,900,000
	FY 2022	FY 2023	FY 2024
NON-ADMINISTRATIVE IMPACT			
Anticipated Expenditure (decrease)			
SCHOOL FOUNDATION PROGRAM ACCOUNT	(\$83,900,000)	(\$75,000,000)	(\$75,200,000)

Source of revenue increase and expenditure (decrease):

This bill enacts the education resource block grant model's (funding model) formulae as used in fiscal year (FY) 2021 and reduces the computation of the foundation program amount by \$100.0 million in FY 2022 and each year thereafter. Each school district's foundation program amount is reduced by an amount equal to \$100.0 million divided by the statewide average daily membership multiplied by a district's average daily membership each school year.

The estimated absolute impact of the change to the foundation program amount is a decrease of \$90.5 million in FY 2022, \$81.2 million in FY 2023 and FY \$81.1 million in FY 2024. The increased revenues to the School Foundation Program Account occur in the form of increased recapture payments and decreased expenditures from the School Foundation Program Account occur in the form of decreased entitlement payments.

Assumptions:

The above estimates were determined through the use of forecast funding models utilized by the Legislative Service Office and are based on the most recent available data for the 2020-2021 school year.