## Fiscal Analysis **ED-FLEX CONTRACTS**



Bill/Sponsor HOUSE BILL 4693 As Introduced, Rep. Brian Palmer

HOUSE BILL 4724 As Introduced, Rep. Judy K. Emmons

**House Committee** Education

Analysis Summary

House Bill 4724 would amend the State School Aid Act so that the act's provisions could be waived under an educational flexibility and empowerment contract issued under section 1294 of the Revised School Code. Section 1294 is a new section of the code being proposed by House Bill 4693. House Bill 4693 would allow school districts to enter into "Ed-Flex" contracts to waive the requirements of specific state statutes and rules in exchange for meeting specific performance goals. House Bill 4724, which specifies that the provisions of the School Aid Act may be waived under these contracts, does not take effect unless HB 4693 is enacted.

## **Fiscal Impact**

These bills would have indeterminate fiscal impacts at the state and local levels, and the impacts would vary depending on which provisions or rules were waived. At the state level, an indeterminate amount of staff time, materials, and supplies would be necessary to fulfill such functions as reviewing applications for waivers of School Aid and other requirements, monitoring compliance with contracts, and reviewing the "Empowerment Reports" required under HB 4693.

At the local level, there could be a potential savings to districts resulting from the flexibility provisions if these provisions allow districts to operate in a more efficient or economical manner. Also at the local level, an indeterminate amount of additional staff time, materials, and supplies could be necessary to prepare applications for a contract, develop and implement the required performance measures, and fulfill reporting requirements.

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**COMMITTEE ANALYSIS - 5/27/03**