

**School Aid Supplemental  
SB 1193 (H-6)**



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	FY 2004-05 YTD (as of 12/6/04)	SB 1193 (H-6) Proposed	<i>Difference: Proposed from FY 2004-05 YTD</i>	
			<i>Amount</i>	<i>%</i>
<b>IDG/IDT</b>	\$0	\$0	\$0	0.0
<b>Federal</b>	1,353,540,100	1,353,540,100	0	0.0
<b>Local</b>	0	0	0	0.0
<b>Private</b>	0	0	0	0.0
<b>Restricted</b>	11,008,700,000	10,909,200,000	(99,500,000)	(0.9)
<b>GF/GP</b>	165,200,000	264,700,000	99,500,000	37.6
<b>Gross</b>	<b>\$12,527,440,100</b>	<b>\$12,527,440,100</b>	<b>\$0</b>	<b>0.0</b>
<b>FTEs</b>	0.0	0.0	0.0	0.0

**Summary of Major Budget Issues**

***FY 2003-04 General Fund Balance***

Appropriates the unreserved balance in the General Fund to the School Aid Fund in an amount sufficient to offset any deficit in the School Aid Fund at the end of FY 2003-04.

***FY 2004-05 Appropriations***

Appropriates an additional \$99.5 million in General Funds to School Aid and decreases the School Aid Fund appropriation by the same amount in order to offset an anticipated FY 2004-05 shortfall in School Aid Funds.

***Special Education Cost Reimbursement***

States that the costs of joint shared-employment arrangements between intermediate districts and their constituent districts will not be reimbursed unless a significant cost savings or efficiency increase sufficient to justify the arrangement can be demonstrated.

**Major Budget Changes from FY 2004-05 YTD**

**Appropriations:**

**1. *School Aid Fund Appropriation***

Reduces the appropriation by \$99.5 million to reflect the fact that estimates of School Aid revenues were lowered at the December 2004 Revenue Estimating Conference.

	<b>FY 2004-05 YTD (as of 12/6/04)</b>	<b>Proposed Change from YTD</b>
<b>Gross</b>	<b>\$11,008,700,000</b>	<b>(\$99,500,000)</b>
<b>Restricted</b>	<b>11,008,700,000</b>	<b>(\$99,500,000)</b>

**2. *General Fund Appropriation***

Adds \$99.5 million to cover the anticipated shortfall in the School Aid budget.

<b>Gross</b>	<b>\$165,200,000</b>	<b>\$99,500,000</b>
<b>GF/GP</b>	<b>\$165,200,000</b>	<b>\$99,500,000</b>

## **Major Boilerplate Changes:**

### ***Sec. 11(1). FY 2003-04 General Fund Appropriation – NEW***

Adds new language that would appropriate additional General Funds to schools in order to avoid closing FY 2003-04 in a deficit position. The amount of the appropriation is specified as an amount equal to any deficit balance that would otherwise exist in the State School Aid Fund at the time of the FY 2003-04 book closing.

### ***Sec. 51a(7). Special Education Reimbursable Costs – NEW***

States that the costs of joint shared-employment arrangements between intermediate districts and their constituent districts will not be reimbursed unless a significant cost savings or efficiency increase sufficient to justify the arrangement be demonstrated, as determined by the department.