



Senate Fiscal Agency
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**BILL ANALYSIS**

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House Bill 5531 (Substitute S-1 as passed by the Senate)

Sponsor: Representative Matthew Gillard

House Committee: Appropriations

Senate Committee: Appropriations

Date Completed: 3-27-08

CONTENT

House Bill 5531 (S-1) would provide supplemental appropriations for fiscal year (FY) 2007-08 in the School Aid budget. Due to savings accruing from fewer pupils and smaller program costs than anticipated, the bill would reduce foundation allowance payments and special education costs; those estimates of savings (totaling \$117.0 million) were agreed to by the State Budget Office and the House and Senate Fiscal Agencies.

In addition to the technical cost adjustments noted above, the bill contains several other positive supplemental adjustments, totaling \$11.9 million in State funds. Specifically, the bill would appropriate \$4.7 million to ensure that districts receive at least their prior-year funding amounts for the School Readiness Program; \$3.3 million for the establishment of an assessment item test bank; \$2.0 million in additional School Bond Loan Fund debt service; \$1.3 million for grants to sparsely populated, rural districts; and \$0.6 million for end-of-course prototype assessments. The bill also would transfer \$3.3 million in Federal assessment funding to the Department of Education (DOE) to support more assessment functions performed in-house rather than under contract.

In addition to these changes, the State Budget Office did recommend one other item that is not included in the Senate substitute: \$0.3 million for FIRST Robotics. The House did include that item, along with several other supplemental appropriations. Included in this summary is a table comparing the three proposals.

FISCAL IMPACT

House Bill 5531 (S-1) would provide for negative supplemental appropriations for FY 2007-08. The bill would reduce Gross appropriations by \$108.4 million and School Aid Fund (SAF) appropriations by \$105.1 million.

Fiscal Analyst: Kathryn Summers-Coty

floor/hb5531

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.

Pending FY 2007-08 School Aid Supplemental: House Bill 5531
Recommendations from the Office of the State Budget, House-Passed, and Senate Proposal

<u>Item</u>	Office of the State Budget		House Passed		Senate Proposal	
	Gross	GF/GP	Gross	GF/GP	Gross	GF/GP
Foundation Allowance Cost Adjustments	(\$101,000,000)	\$0	(\$101,000,000)	\$0	(\$101,000,000)	0
Special Education Cost Adjustments	(16,000,000)	0	(16,000,000)	0	(16,000,000)	0
School Readiness Hold Harmless Payments	4,700,000	0	4,700,000	0	4,700,000	0
Assessments: Test Prototypes and Item Bank	3,922,400	0	3,922,400	0	3,922,400	0
School Bond Loan Fund Debt Service	2,000,000	0	2,000,000	0	2,000,000	0
Grants to Sparsely Populated Districts	1,275,000	0	1,275,000	0	1,275,000	0
Community College Access Grants	0	0	1,000,000	0	0	0
Middle School Algebra Pilot Projects	0	0	1,000,000	0	0	0
Cultural Access Grants	0	0	800,000	0	0	0
Early Childhood Investment Corp. Collaborative Grants	0	0	750,000	0	0	0
Early Childhood Abuse/Neglect Grants	0	0	375,000	0	0	0
FIRST Robotics	300,000	0	300,000	0	0	0
Mercy Education Project	0	0	100,000	0	0	0
Science Engineering Mathematics Aerospace Acad.	0	0	100,000	0	0	0
Newsline	0	0	80,000	0	0	0
Assessments: Transfer Federal Funds to DOE	(3,322,400)	0	(3,322,400)	0	(3,322,400)	0
Total Spending Adjustments (Including Federal Funds)	(108,125,000)		(103,920,000)		(108,425,000)	
Total School Aid Fund Adjustments	(104,802,600)		(100,597,600)		(105,102,600)	
Total SAF Spending Aside from Technical Cost Savings:	\$12,197,400		\$16,402,400		\$11,897,400	