

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. NO.: 2514-03  
BILL NO.: Perfected SB 573  
SUBJECT: Education, Elementary and Secondary: State School Aid  
TYPE: Original  
DATE: February 22, 2000

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**A redistribution of funding to school districts could result.**  
 Numbers within parentheses: ( ) indicate costs or losses.  
 This fiscal note contains 3 pages.

**FISCAL ANALYSIS**

ASSUMPTION

Officials from the **Department of Elementary and Secondary Education (DESE)** assume the proposal would result in additional cost to the state aid formula. However, allowing such a district an extended period of time to repay the overpayment delays the redistribution of that money to the remaining districts in the state. Those districts would have received that money initially if the other district's data had been accurate.

<u>FISCAL IMPACT - State Government</u>	FY 2001	FY 2002	FY 2003
	\$0	\$0	\$0

<u>FISCAL IMPACT - Local Government</u>	FY 2001	FY 2002	FY 2003
	\$0	\$0	\$0

**A redistribution of funding to school districts could result.**

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

The proposal applies to any error made in the apportionment of state aid due to a difference between the actual number of eligible pupils and the estimated number of pupils to any school district which has, for at least five years immediately preceding the year in which an error in estimating the number of eligible pupils is discovered, adopted a school calendar for twelve months. If the amount paid exceeds the amount to which the district was actually entitled by more than five percent, then the excess plus accrued interest would be deducted over a period specified by the district, but not longer than 60 months. Current law requires the deduction to be made the next succeeding year.

The proposal contains an emergency clause.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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SOURCES OF INFORMATION

Department of Elementary and Secondary Education

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is written in a cursive style with a large initial "J".

Jeanne Jarrett, CPA  
Director  
February 22, 2000