

Fiscal Impact Statement
Oklahoma State Department of Education

Bill Number:	SB 609
Author:	Jolley & Loveless of the Senate and Nelson of the House
Description:	Creates the Education Empowerment Scholarship Savings Act, which allows qualified students to utilize a percentage of the state aid calculation to use on qualified educational expenditures. Requires SDE enforcement, and program administration from OST.
Explanation of Impact:	<p>1) The bill imposes specific duties on the SDE that would require the addition of two FTE:</p> <ul style="list-style-type: none"> - Receive "withdrawal" and "suspension" notifications from OST; - Receive names of approved students, and cross-check those students with other programs/enrollment records; - Calculate the amount the student is to receive; - Transfer 80% of the amount to the OST; - Distribute the remaining 20% to the district in which the qualified student would otherwise attend; <p>Administer the Waiver program permitted pursuant to Section. 8 of the bill. The Board will promulgate rules to implement the program.</p> <p>2) The bill will also require that OSDE systems (the funding formula system and the OCAS coding system) be amended to track necessary expenditures and calculate the amount to be allocated to qualified students. OMES has estimated that typical system adjustments costs approx. \$700,000.00.</p> <p>3) Impact to districts is estimated based on the amount held off of the top of the formula. The Department has based the estimated impact on the FY 16 Total Average Daily Membership from students who are currently enrolled in public schools, weighted per-capita and current state aid factor. The estimate does not include "qualified students" eligible to enroll in pre-kindergarten.</p>
Overall Fiscal Impact:	<p>Total estimated impact to SDE = \$880,000 Cost of two additional FTE = \$180,000 Cost to upgrade SDE systems = \$700,000 Total estimated impact to districts - \$27,070,066 - \$81,210,248 1% participation - \$27,070,066 2% participation - \$54,140,133 3% participation - \$81,210,248</p>
Date of Fiscal Stmt:	2/18/15 Updated 3/1/2016
Prepared By:	SDE
Amended:	N/A

FY2016 First Nine Weeks ADM	688,274.20
FY2016 Weighted ADM	1,111,063.38
Weighted per Capita	1.61
Total State Aid Factors (as of 2/8/16)	\$ 3,053.60

FY2016 Projected Eligible Students:	Count	1%	2%	3%
1. FY2016 ADM	688,274.20	6,882.74	13,765.48	20,648.23

	1%	2%	3%
1. FY2016 ADM	6,882.74	13,765.48	20,648.23
times Weighted per Capita	1.61	1.61	1.61
Estimated Weights for Eligible Students	11,081.21	22,162.42	33,243.65
times State Aid Factors (As of 2/8/16)	\$ 3,053.60	\$ 3,053.60	\$ 3,053.60
Projected Amount Generated	\$ 33,837,583.00	\$ 67,675,166.00	\$ 101,512,810.00
times 80% (20% will remain part of formula)	80%	80%	80%
Projected Amount Needed	\$ 27,070,066.00	\$ 54,140,133.00	\$ 81,210,248.00
Total Projected Cost for ESA	\$ 27,070,066.00	\$ 54,140,133.00	\$ 81,210,248.00

Proj. Adjusted State Aid Factors:	\$3,028.80	\$3,003.80	\$2,978.80
Decrease State Aid Factors by:	(\$24.80)	(\$49.80)	(\$74.80)