

**BILL SUMMARY**  
1<sup>st</sup> Session of the 56<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB 1236</b>
<b>Version:</b>	<b>INT</b>
<b>Request Number:</b>	<b>5491</b>
<b>Author:</b>	<b>Rep. Teague</b>
<b>Date:</b>	<b>2/12/2017</b>
<b>Impact:</b>	<b>Anticipated funds available to school districts</b> <b>Possible costs to SDE</b>

**Research Analysis**

The introduced measure requires all school districts by December 1, 2017, to submit a report to the State Department of Education (SDE) that identifies cost-sharing administrative co-ops that could be implanted with neighboring school districts. SDE will promulgate rules to create rewards for districts that implement such cost saving measures. Seventy-five percent of the savings will be made available for teacher pay increases and other school personnel, and the remaining twenty-five percent will go into the Good Stewardship Bonus Pool Program to provide financial rewards to districts that already had a similar co-op in place prior to this measure.

Prepared By: Scott Tohlen

**Fiscal Analysis**

HB 1236, as introduced, provides that by December 1, 2017, all state school districts will submit a report to the State Department of Education identifying possible cost-sharing administrative co-ops. The State Board of Education will promulgate rules to create rewards for school districts that implement administrative co-ops. The State Department of Education will implement a procedure to verify savings reported by school districts. Specified percentages of the total amounts saved are provided for certain areas and are allowed outside the state funding formula and not deducted from appropriations otherwise received from the school district.

It is anticipated that school districts will have funds available from participating cost-sharing measures which can then be designated in specified areas. However, Department of Education personnel anticipate that they might need .5 to 1.0 FTE of a Financial Coordinator position at a cost from \$31,000-\$62,000. This determination may need further review with program implementation.

Prepared By: Andrea Kearney

**Other Considerations**

None

