

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING A REQUIREMENT THAT EACH SCHOOL DISTRICT SPEND AT LEAST A SPECIFIED PERCENTAGE OF ITS TOTAL OPERATIONAL EXPENDITURES ON SERVICES THAT DIRECTLY AFFECT STUDENT ACHIEVEMENT.

Prime Sponsors: Representative Merrifield

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Summary of Amendments Made to the Bill After the 02/28/06 Legislative Council Staff Fiscal Note was Prepared (Amended by the House Education Committee 03/16/06)

1. Adds to the definition of "operational expenditures", an exception for expenditures related to internal service funds.
2. Specifies that for purposes of the requirement that each school district spend at least 75 percent of its operational expenditures on services that directly affect student achievement, expenditures by a charter school within a school district shall not be considered expenditures by that school district.

The above amendments do not affect the fiscal impact of the bill, as described in the Legislative Council Staff Fiscal Note dated 02/28/06. Legislative Council Staff agree with this assessment.

JBC Staff Concurrence with Legislative Council Staff Fiscal Note

<input checked="" type="checkbox"/> XXX	Concurs	<input type="checkbox"/>	Does Not Concur	<input type="checkbox"/>	Updated Analysis
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Amendments/Appropriation Status

The bill does not currently include an appropriation clause. Staff has prepared an amendment (J.002) to add a provision appropriating \$25,245 General Fund and 0.3 FTE to the Department of Education for FY 2006-07.

Sponsor Amendments

Staff is not aware of any sponsor amendment(s) to be offered.

Points to Consider

1. The Joint Budget Committee has introduced a budget package for FY 2006-07 based on the March 2006, Legislative Council Staff revenue forecast. The budget package appropriates the maximum amount of General Fund allowed pursuant to the statutory six percent limit on General Fund appropriations, less \$10,000,000. This bill requires \$25,245 in additional General Fund appropriations for FY 2006-07; this appropriation is subject to the six percent statutory limit on General Fund appropriations. If this bill is enacted in conjunction with other bills that require more than a total of \$10.0 million General Fund for FY 2006-07, the General Assembly will exceed the statutory limit on General Fund appropriations.
2. As noted on page 3 of the Legislative Council Staff Fiscal Note, the identified fiscal impact of the bill assumes that the Department will make school district budgets available to the public in a paper format, accessible upon request. If the General Assembly intends that the Department make school district budgets available in an electronic format, the Department would require additional resources.