

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE FINANCING OF PUBLIC SCHOOLS, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Representative Massey
Senator Bacon

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Summary of Amendments Made to the Bill After the 04/09/12 Legislative Council Staff Fiscal Note Was Prepared (Amended by the House Education Committee 04/09/12)

The House Education Committee Report modifies section five of the bill, which creates a new program to provide assistance to boards of cooperative services (BOCES) for implementing and meeting state educational priorities. The Report changes the allocation of the funds appropriated from the State Education Fund for this program by authorizing the Department to retain up to \$50,000 annually to support a Council created by the Commissioner of Education that advises the Commissioner and the Department regarding the needs and concerns of rural school districts. This amendment thus reduces the portion of the appropriation that is distributed directly to BOCES from \$1,180,000 to \$1,130,000.

The above amendment does not affect the total fiscal impact of the bill, as described in the attached Legislative Council Staff Fiscal Note. Legislative Council Staff agrees with this assessment.

JBC Staff Concurrence with Legislative Council Staff Fiscal Note

Concurs* **Does Not Concur** **Updated Analysis**

*Please note that page three of the attached Legislative Council Staff Fiscal Note erroneously indicates that the bill, as introduced, specifies that \$50,000 of the \$1.3 million appropriated to assist BOCES may be used to fund the Rural Education Council.

Amendments/Appropriation Status

The printed bill includes an appropriation clause that: (a) increases the State Education Fund appropriation for the School Counselor Corps Program for FY 2012-13 by \$480,000 (from \$4,520,000 to \$5,000,000); and (b) appropriates \$1,300,000 from the State Education Fund for a new program set forth in Section 5 of the bill. Staff has prepared amendment **J.001** (attached) to change the existing clause to appropriate the amounts detailed in the following Table 1.

TABLE 1 FY 2012-13 Appropriations to Department of Education and Long Bill Adjustments (with J.001)		
Purpose	Amount	Fund Source
Section 7: Long Bill Adjustments Related to School Finance Formula Changes		
(c) and (d) State Share of Districts' Total Program Funding	57,232,000	General Fund
	(228,551)	Cash Funds - State Education Fund (SEF)
	57,003,449	Total Funds
(e) Hold-harmless Full-day Kindergarten Funding	74,671	Cash Funds - SEF
(f) Facility School Funding	153,000	Cash Funds - SEF
Subtotal: Adjustments Related to Statutory Changes to School Finance Formula	57,231,120	Total funds
	57,232,000	General Fund
	(880)	Cash Funds - SEF
Section 7: Other Long Bill Adjustments and Appropriations		
(a) School Counselor Corps Program	480,000	Cash Funds - SEF
(b) State Aid for Charter School Facilities	1,000,000	Cash Funds - SEF
Section 8: New Appropriations		
Assistance to BOCES for implementing and meeting state educational priorities	1,300,000	Cash Funds - SEF
Section 9: Footnote Amendment Related to School Finance Formula Changes		
Amends Long Bill footnote #8 to adjust the amount of the FY 2012-13 appropriation that may be used for the Accelerating Students Through Concurrent Enrollment (ASCENT) Program		
Totals	\$60,011,120	Total Funds
	57,232,000	General Fund
	2,779,120	State Education Fund

Please note: Amendment J.001 appropriates the full amount of General Fund that has been earmarked by the Joint Budget Committee for this bill (\$57,232,000) to cover the cost of maintaining average per pupil funding (see Point to Consider #1, below), and thus appropriates \$880 less from the State Education Fund than the amount reflected in the attached Fiscal Note.

Amendment J.001 also amends a footnote in the FY 2012-13 Long Bill that specifies what portion of the appropriation for districts' total program funding may be used for the Accelerating Students Through Concurrent Enrollment (ASCENT) Program. The amount specified in the footnote must be increased to reflect the impact of this bill on districts' per pupil funding.

Bill Sponsor Amendments

Staff is not aware of any sponsor amendments to be offered.

Points to Consider

1. The Joint Budget Committee (JBC) has introduced a balanced budget package for FY 2012-13 based on the March 2012 Office of State Planning and Budgeting revenue forecast. The JBC has included as part of its FY 2012-13 budget package a \$57,232,000 General Fund appropriation to be included in H.B. 12-1345 to maintain the statewide average per pupil funding amount at its current level (\$6,474.24).
2. This bill increases appropriations from the State Education Fund for FY 2012-13 by \$2.8 million, reducing the available balance for other uses in FY 2012-13 and future years.

Background Information - Projected State Education Fund balance. The JBC has included as part of its budget package H.B. 12-1338, which would transfer \$59.0 million from the General Fund to the State Education Fund at the end of FY 2011-12, and would transfer any excess General Fund reserves that exist at the end of FY 2012-13 to the State Education Fund. Based on H.B. 12-1338 and the FY 2012-13 Long Bill (H.B. 12-1335), as introduced, the State Education Fund is projected to have a balance of \$100.4 million at the end of FY 2012-13.