

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6415

BILL NUMBER: SB 74

DATE PREPARED: Dec 1, 1998

BILL AMENDED:

SUBJECT: High School Transfers for Certain Students.

FISCAL ANALYST: David Hoppmann

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FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill would permit a parent in specific circumstances concerning distance from a high school student's residence to the student's assigned school, to transfer the student to certain school corporations (transferee school corporations) where he does not have legal settlement. It would require that the school corporation from which the student transfers (the transferor school corporation) be responsible for payment of transfer tuition to the transferee school corporation, and would require that the student's parents be responsible for transportation. It would provide for notice to affected parties.

Effective Date: July 1, 1999.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: In accordance with the provisions of this bill, transferor school corporations would be responsible for payment of transfer tuition. Under current law, school corporations are required to transfer a student who can be better accommodated at a school within a transferee school corporation. This bill would allow students who travel fifteen (15) miles or more to their assigned schools to transfer to an adjoining school corporation.

Under current law, transferor school corporations are responsible for the following funding items when paying for a student from a transferee school corporation: 1) Primetime; 2) Tuition Support; 3) Enrollment Growth; 4) At-Risk; 5) Vocational Education; 6) Special Education; 7) Prior Year General Fund Auto and Bank Excise Tax; and 8) General Fund Levy. They are also responsible for certain operating costs as well as for County Adjusted Gross Income Tax (CAGIT) used for property tax replacement (applies only to school corporations located in counties that have adopted CAGIT).

For 1998, the average state cost to educate a student (including items 1-8 above) was approximately \$4,628 with a range from \$4,186 to \$7,807. The amount of CAGIT monies per student (based on 1998 certified distributions) is approximately \$597 with a range from \$232 to \$1,101. Accurate school corporation transfer tuition operating cost figures are currently indeterminable.

Accurate school corporation transfer tuition operating cost figures, as well as specific student travel distance figures, are currently indeterminable.

The amount of transfer tuition payed, as a result of this bill, could vary significantly from school corporation to school corporation and would depend upon the number of students falling within the travel criteria of this bill.

This bill would also require that transferee school corporations notify the State Board of Education of transfers in accordance with the provisions of this bill. Notification costs would be minimal and would vary from school corporation to school corporation.

Explanation of Local Revenues: See Explanation of Local Expenditures.

State Agencies Affected: Indiana State Board of Education.

Local Agencies Affected: Indiana School Corporations.

Information Sources: Terry Spradlin, Department of Education, 317/232-6671; Patty Bond, Department of Education, 317/232-0807.