

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

301 State House
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FISCAL IMPACT STATEMENT

LS 6384
BILL NUMBER: SB 66

DATE PREPARED: Jan 10, 2000
BILL AMENDED:

SUBJECT: Kindergarten enrollment date.

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FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

STATE IMPACT	FY 2000	FY 2001	FY 2002
State Revenues			
State Expenditures			4,158,000
Net Increase (Decrease)			(4,158,000)

Summary of Legislation: This bill provides that a child must be at least five years of age on the following dates to officially enroll in a kindergarten program offered by a school corporation: (1) July 1 of the 2001-2002 school year. (2) August 1 of the 2002-2003 school year. (3) September 1 of the 2003-2004 school year or any subsequent school year. (Current law requires that a child must be at least five years of age on June 1 to officially enroll in a kindergarten program.) The bill allows the governing body of a school corporation to adopt a procedure for a parent to appeal to the school superintendent for kindergarten enrollment of a child who is not at least five years old on the statutory date. (Current law requires a school corporation to adopt the procedure.)

Effective Date: July 1, 2000.

Explanation of State Expenditures: This bill will increase the average daily membership of school corporations over a four year period as compared to the ADM under current law. Consequently, this increase in ADM will also increase expenditures from the school funding formula. During the 1999-2000 school year, 72,001 students were enrolled in public school kindergarten. Assuming an even distribution of births over 12 months, each month will add 6,000 children to the statewide average daily membership (ADM).

Under current statute, kindergarten students are counted as a half ADM, consequently, the additional costs

in the first year will be based on additional ADM count of 3,000.

Based on the changes in ADM as a result of the dates of admission changes, the additional costs that are generated by the school funding formula are shown in the following table. The FY 2002 impact is ½ of the CY 2002 impact shown in the table and the FY 2003 is ½ of the CY 2002 and CY2003 impacts shown in the table.

Note: The estimated costs are based on current state law. The future costs that are associated with the additional ADM could be changed during the 2001 General Assembly when the school funding formula is reauthorized.

Year	State Tuition Support	At Risk Monies	Growing Enrollment	Primetime	Total State Support
2002	\$7,163,466	\$133,221	\$1,451,133	\$77,176	\$8,823,995
2003	\$19,071,637	\$323,083	\$1,382,396	\$802,007	\$21,569,112

Explanation of State Revenues:

Explanation of Local Expenditures: The following table shows the additional number of students who would be added to the school corporations over the three year period when the admission date is changed. As the table indicates, more than half of the school corporations (59%) would experience increases of between 15 and 50 students. Another 34% of the school corporations could experience increases of between 50 and 890 -- the largest increase in the number of kindergarten children that any school corporation would experience.

<u>additional number of students over 3 year period</u>	<u># of school corporations</u>	<u>percentage distribution</u>
less than 5 students	2	1%
between 5 and 10 students	5	1%
between 10 and 15 students	11	7%
between 15 and 25 students	60	20%
between 25 and 50 students	116	39%
between 50 and 100 students	56	19%
between 100 and 200 students	32	11%
more than 200 students	<u>12</u>	4%
total number of school corporations	294	

An alternative way to look at the additional students is by elementary school during the first year of implementation. As the table indicates, about 90% of the elementary schools would experience increases of less than 8 kindergarten students the first year.

<u>Additional number of kindergarten students the first year</u>	<u># of Elementary Schools</u>	<u>Percentage Distribution</u>
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1 student	15	1.37%
2 students	79	7.23%
3 students	162	14.84%
4 students	177	16.21%
5 students	170	15.57%
6 students	164	15.02%
7 students	129	11.81%
8 students	84	7.69%
9 students	40	3.66%
between 10 and 15 students	57	5.22%
between 15 and 25 students	9	0.82%
over 25 students	<u>4</u>	0.37%
Total number of schools	1090	

Depending on the existing capacity of each school corporation, some school corporations may need to build new classrooms, add new teachers, acquire additional buses or incur more route miles to transport kindergarten children to school. Other school corporations may be able to accommodate the additional children with current staff and facilities.

School corporations with classroom shortages may need to rent classrooms from local businesses or churches or use temporary classrooms until new classrooms are built. School corporations which add new classrooms will also incur additional costs for utilities and custodial care.

Explanation of Local Revenues:

State Agencies Affected: Department of Education

Local Agencies Affected: School Corporations

Information Sources: Department of Education Data Bases