

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

301 State House
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FISCAL IMPACT STATEMENT

LS 6427
BILL NUMBER: SB 246

DATE PREPARED: Jan 21, 2000
BILL AMENDED: Jan 20, 2000

SUBJECT: Academic honors diploma awards.

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FUNDS AFFECTED: **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill removes a provision that allows a school corporation to give the money received by the corporation as an academic honors diploma award to eligible pupils in the corporation who have successfully completed an academic honors diploma program. It includes a transitional provision that allows a school corporation to make awards that have been promised to students currently in high school.

Effective Date: (Amended) Upon Passage; July 1, 2000.

Explanation of State Expenditures: The Department of Education would not be required to alter its administrative duties with regards to the provisions of this bill, nor would the amount of money it distributes to school corporations change.

Explanation of State Revenues:

Explanation of Local Expenditures: This bill would remove current language stipulating that a school corporation can award \$925 to any student who successfully completes an academic honors diploma program. However, this bill would not prohibit a school corporation from awarding grants to students. Any impact on school expenditures would vary from school corporation to school corporation, and would depend upon local action.

Background

P.L. 273-1999 increased the academic honors diploma grant from \$800 to \$925 effective January 1, 2000. During the 1997-1998 school year, approximately 11,000 students successfully completed an academic honors diploma program, for a total of \$8.8 M awarded to 291 Indiana school corporations for CY 1999. During the 1998-1999 school year, approximately 12,000 students are projected to successfully complete this program, resulting in an estimated \$11.1 M in awards to be distributed during CY 2000.

The number of school corporations that awarded grants directly to eligible students in CY 1999 is currently unknown. However, a survey of Indiana school corporations conducted by Legislative Services Agency indicates that 15 out of 60 responding school corporations (25%) distributed awards to eligible students in CY 1998.

Honors diploma grant monies are contained within the state tuition support distribution. For FY 1999-2000 and for FY 2000-2001, respectively, \$3,010,350,000 and \$3,232,750,000 was appropriated for total state tuition support.

Explanation of Local Revenues:

State Agencies Affected: Department of Education.

Local Agencies Affected: School corporations.

Information Sources: DOE SAS Data Sets; State of Indiana List of Appropriations (Biennium July 1, 1999 to June 30, 2001).