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**FISCAL IMPACT STATEMENT**

**LS 7057**

**BILL NUMBER: SB 310**

**NOTE PREPARED: Jan 19, 2006**

**BILL AMENDED: Jan 19, 2006**

**SUBJECT:** Alternate Methods for Earning High School Credits.

**FIRST AUTHOR:** Sen. Alting

**FIRST SPONSOR:**

**BILL STATUS:** CR Adopted - 1<sup>st</sup> House

**FUNDS AFFECTED: X GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) The bill allows a student to demonstrate proficiency and receive credits in a course or subject area required for high school graduation or for an academic honors diploma in a manner other than by classroom work.

**Effective Date:** July 1, 2006.

**Explanation of State Expenditures:** (Revised) *Alternative High School Credits:* If schools had an increase in honor graduates as a result of the bill, the Department would be required to produce more academic honor diploma seals. The Department's current level of resources should be sufficient to produce additional academic honor diploma seals. There were 16,279 academic honors diplomas awarded in school year 2003-2004.

*Basic Grant:* The bill could affect future state school funding formula honors diploma grants. Refer to *Explanation of Local Revenues* for additional information.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** *Basic Grant:* If more academic honors diplomas were awarded, schools could receive additional academic honors grants from future state school funding formulas. The 2006 basic grant allows schools to receive \$900 per student that received an academic honors diploma during the 2004-2005 school year. Grant funding would be subject to future school formulas and appropriations.

*Background:* The 2005 basic grant allowed for a grant of \$963 per academic honors diploma awarded. Based upon the above number of 2003-2004 honors diploma graduates, 2005 honors diploma grants awarded to schools totaled approximately \$15.7 M (\$963 X 16,279).

**State Agencies Affected:** Department of Education.

**Local Agencies Affected:** Schools.

**Information Sources:** DOE SAS AND ORACLE DATABASES; Department of Education: 2005 & 2006 Basic Grant Overview.

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