

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7464

BILL NUMBER: HB 1451

NOTE PREPARED: Jan 12, 2013

BILL AMENDED:

SUBJECT: High Achiever's Award Program.

FIRST AUTHOR: Rep. Candelaria Reardon

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill establishes the High Achiever's Award Program. It provides that certain school corporations may receive an additional \$500 for every student who graduates and attends a postsecondary educational institution. The bill provides that a school corporation may be eligible to receive the high achiever's award if:

1. The school corporation's current ADM is greater than 3,700 and less than 4,100;
2. The percentage of the school corporation's ADM attributable to students eligible for the free and reduced lunch program in calendar year 2010 was less than 20%;
3. The school corporation's enrollment in grades 9 through 12 in the 2012-1013 school year is at least 1,500 but not more than 2,000; and
4. The school corporation's four year graduation rate exceeded 89% for each year in the period 2002 to 2010.

The bill extends, effective June 30, 2013, the expiration date for the state tuition support law from July 1, 2013, to July 1, 2015.

Effective Date: June 30, 2013; January 1, 2014.

Explanation of State Expenditures: The bill would create the High Achiever's Award as part of the school formula. Based on current data, the School Town of Munster is the only school corporation that would qualify for the award. The corporation has about 400 12th-grade students and according to their annual report about 91% of their graduates attend a postsecondary educational institution. The impact on the school formula would be to increase the school formula distribution to the School City of Munster by about \$182,000 annually. If

the addition of the distribution caused the school formula to exceed the calendar year cap or the fiscal year appropriation then the total expenditures for the school formula would be proportionately reduced so the actual distribution did not exceed the calendar year cap or the appropriation.

This bill does not make an appropriation for continuing the school formula.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: *See Explanation of State Expenditures.*

State Agencies Affected: Department of Education.

Local Agencies Affected: Local Schools.

Information Sources: Department of Education databases.

Fiscal Analyst: Chuck Mayfield, 317-232-4825.