

LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6075

BILL NUMBER: SB 184

NOTE PREPARED: Nov 7, 2012

BILL AMENDED:

SUBJECT: Choice Scholarship Eligibility.

FIRST AUTHOR: Sen. Yoder

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that a sibling of a student who is receiving a Choice Scholarship is eligible to receive a Choice Scholarship without first attending two semesters in a public school or receiving a scholarship from a scholarship-granting organization.

Effective Date: July 1, 2013.

Explanation of State Expenditures: The bill could increase the state expenditures for the Choice Scholarship in the short term by allowing siblings to qualify for a scholarship without attending a public school for a year or getting a scholarship from a scholarship-granting organization.

Background: The maximum number of scholarships for the 2011-2012 school year was 7,500, and the maximum number of scholarships for the 2012-2013 school year is 15,000. The following table reports the number of scholarships and value of those scholarships for FY 2012 and FY 2013.

Fiscal Year	Number of Scholarships	Value of Scholarships
2012	3,911	\$ 15.6 M
2013	9,130	\$35.9 M

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: The bill could reduce the school formula revenue for local schools. Currently, the Choice Scholarship grants are paid from the savings in tuition support since the students attended public schools the year before and would probably be built into the school tuition support projections for CY 2014 and CY 2015. The addition of students into the program who are not included in the tuition support projections could cause the total distribution for the school formula, Choice Scholarship awards, and the Mitch Daniels Early Graduation Scholarships to exceed the tuition support appropriation. If distributions exceed the appropriation, then distributions to all schools would be proportionately reduced.

State Agencies Affected: Department of Education.

Local Agencies Affected: Public schools.

Information Sources: Department of Education.

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