

Fiscal Note



Fiscal Services Division

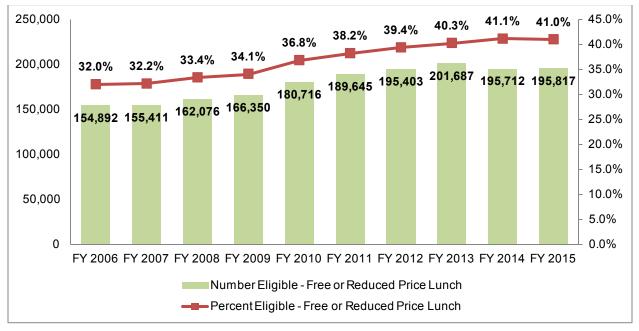
<u>SF 471</u> – School Supplemental Weighting, Low-Income Students (LSB1463SZ) Analyst: John Parker (Phone: (515) 725-2249) (<u>john.parker@legis.iowa.gov</u>) Fiscal Note Version – New

Description

Senate File 471 creates a Low-Income Program Supplement that provides additional State school aid for school districts based on the number of students eligible for free or reduced price lunch. Students identified as eligible will receive an additional weighting of 0.04. Additionally, the Bill requires the funding generated to be paid entirely by State aid and does not include a local property tax provision. Districts do not receive the Low-Income Program Supplement until FY 2018.

Background

The following chart provides the free or reduced price lunch eligible information for FY 2006 through FY 2015.



Assumptions

Assumptions include:

- The number of students eligible for free or reduced price lunch in future fiscal years will be at least at the FY 2015 amount of 195,817.
- A 0.0% State percent of growth is assumed for FY 2016 through FY 2018. Any State percent of growth above 0.0% will increase the estimated cost.
- The estimate assumes a State cost per pupil of \$6,366 in FY 2018. The additional weighting of 0.04 will generate approximately \$255 per eligible student.

Fiscal Impact

Beginning in FY 2018, it is estimated the State General Fund expenditure for school aid will increase by a minimum of \$49.9 million.

Sources

lowa Department of Education, Iowa Public School K-12 Students Eligible for Free and Reduced-Price Lunch by District file LSA analysis and calculations

/s/ Holly M. Lyons

March 25, 2015

The fiscal note for this bill was prepared pursuant to <u>Joint Rule 17</u> and the lowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.