



SF 2009 – Preschool Eligibility Age (LSB5436XS)

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Fiscal Note Version – New

Description

Senate File 2009 expands the Statewide Voluntary Preschool Program (SWVPP) for four-year-old children to include five-year-old children that have not previously enrolled in a preschool program. The bill applies to FY 2018 and beyond.

Background

The SWVPP was originally established in FY 2008. The Program was implemented with a phase-in that provided funding to approved school districts in the initial year of start-up through a State General Fund appropriation. Following the initial year of Program implementation, the school district program received funding through the preschool formula, based on the previous year's enrollment. The following table provides the funding and enrollment history. Program funding for the initial year of school district participation totaled \$57.6 million, while formula funding is estimated to total \$501.4 million through FY 2017.

Legislative Services Agency: Statewide Voluntary Preschool Program for Four-Year-Olds (SWVPP) Funding Levels (Dollars in Millions)

	Appropriation Amount for Initial Year	Preschool Formula Funding	Total State Funding for Statewide Voluntary Preschool Program	Estimated Number of Preschool Students Enrolled in Program*	Preschool Formula Weighting
FY 2008	\$ 15.0	N.A.	\$ 15.0	5,126	N.A.
FY 2009	14.8	\$ 17.1	31.8	9,676	3,075.6
FY 2010	11.5	33.3	44.9	13,666	5,805.6
FY 2011	16.2	48.3	64.5	19,799	8,199.6
FY 2012	N.A.	58.4	58.4	19,800	9,900.0
FY 2013	N.A.	60.4	60.4	19,900	9,950.0
FY 2014	N.A.	66.1	66.1	21,381	10,690.5
FY 2015	N.A.	70.0	70.0	21,926	10,963.0
FY 2016	N.A.	73.3	73.3	22,690	11,345.0
Est. FY 2017	N.A.	74.6	74.6	23,141	11,570.5
Total	\$ 57.6	\$ 501.4	\$ 558.9		

Notes:

FY 2011 appropriation amount for initial year includes \$12.2 million from the General Fund and \$4.0 million from the Cash Reserve Fund.

Beginning in FY 2012, the preschool formula weighting was reduced from 0.6 to 0.5.

*Enrollment amounts for FY 2008 - FY 2011 are based on the June 2014 SWVPP Fact Sheet release by the Department of Education. Enrollment amounts for FY 2012 - FY 2017 are calculated based on the preschool formula weighting amounts. Preschool formula weighting is the amount of weighting that was used to generate funding for the fiscal year.

The estimated FY 2017 amount is based on the State cost per pupil of \$6,446. The amount will increase if the General Assembly enacts a State percent of growth for FY 2017.

Estimates as of February 19, 2016.

Totals may not add due to rounding.

Sources:

Iowa Department of Management, School Aid files.

LSA Analysis and Calculations.

Assumptions

Assumptions include:

- The potential number of five-year-olds that will enroll in the SWVPP and generate funding is between 2,200 and 5,400 students. Approximately 2,200 students attended the SWVPP that attended kindergarten two years later. This is the potential number of students whose parents may have waited until their child was five-years-old to enroll in the SWVPP if funding was available. Approximately 5,400 students were greater than six-years old when they entered kindergarten. This is the potential number of students whose parents may have enrolled their five-year-old child in the SWVPP if funding was available.
- Weighting will remain at 0.5 per student.
- The state cost per pupil is \$6,446. Any increase in the state percent of growth will increase the estimated impact.
- The number of parents that will decide not to send their children to kindergarten at age five and instead send them to the SWVPP is unknown. This will impact the aid to school districts through the formula by delaying kindergarten enrollment.

Fiscal Impact

The estimated cost to the State General Fund for FY 2018 is between \$7.1 million and \$17.4 million.

Sources

Iowa Department of Education
LSA analysis and calculations

/s/ Holly M. Lyons

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The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.
