

Fiscal Services Division
Legislative Services Agency
Fiscal Note

HF 699 - Educator Professional Growth Fund (LSB 1296 YH)
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Fiscal Note Version - New

Description

House File 699 establishes an Iowa Educator Professional Growth Program funded by a \$10 increase in the allowable growth amount beginning in FY 2006. There is an adjustment to the FY 2006 budget guarantee calculation so that districts receiving the budget guarantee do not have a reduction due to the increase in regular program funding. The \$10 increase is carried forward in the allowable growth calculation into future years.

Assumptions

The standard assumptions are applied to the School Foundation Aid Formula for this estimate.

1. The allowable growth rate is 4.0% for FY 2006 and FY 2007.
2. Taxable valuations are projected to increase by 2.3% in FY 2006 and 2.0% in FY 2007.
3. Enrollments are based on the September 2004 headcount for FY 2006 and the Department of Education's preliminary estimate for FY 2007.
4. Special education weightings increased 1.1% in FY 2006 and are projected to increase by 3.5% in FY 2007.
5. Shared supplemental weightings and English as a second language (ESL) weightings are projected to increase by 10.0% in both years.
6. No change is projected for the at-risk or the reorganization incentive weightings.

Fiscal Impact

House File 699 is projected to increase the General Fund State Foundation Aid costs by \$4.5 million in FY 2006 and \$5.6 million in FY 2007. Foundation Property Taxes are projected to increase by \$1.1 million in FY 2006 and \$231,000 in FY 2007.

Source

Department of Management, School Foundation Data Base

/s/ Holly M. Lyons

March 14, 2005

The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Fiscal Services Division, Legislative Services Agency to members of the Legislature upon request.
