Fiscal Services Division

Legislative Services Agency Fiscal Note

SF 2025 - Foreign Exchange Student Actual Enrollment (LSB 5016 SS)

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Fiscal Note Version - New

Requested by Senator Daryl Beall

Description

Senate File 2025 provides for foreign exchange students enrolled for a full year to be included in the K-12 budget enrollment used in the School Foundation Formula.

Assumptions

- There were 390 foreign exchange students in the 2004/2005 school year. It is assumed there will be the same number in FY 2007 and FY 2008.
- The allowable growth rate for FY 2007 and FY 2008 will be 4.0%. The State Cost Per Pupil for these two years will be \$5,128 and \$5,333, respectively.
- In FY 2007, school districts with increased budget enrollments due to this bill may request on-time funding from the School Budget Review Committee.
- In FY 2008, the foreign exchange students will be counted in the budget enrollment. Their costs will be allocated between State Foundation Aid (87.5%) and property tax (12.5%).

Fiscal Impact

In FY 2007, if all school districts with foreign exchange students requested on-time funding, the cost to the school districts' unexpended cash balances would be approximately \$2.0 million. Not all school districts are expected to request on-time funding.

In FY 2008, the School Foundation Formula funding is projected to increase by \$2.1 million, with \$1.8 million coming from the General Fund State Foundation Aid and \$260,000 coming from property taxes.

Source

Department of Education	
	/s/ Holly M. Lyons
	January 25, 2006

The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, <u>Code of Iowa</u>. 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.