

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



**CORRECTED
FISCAL NOTE**

SB 303 - HB 1361

March 30, 2015

SUMMARY OF BILL: Authorizes children who enrolled in a pre-kindergarten program in the 2013-14 school year, but who will not be five years of age by August 15, 2015, to enroll in kindergarten if such students will turn five years of age by August 31, 2015.

ESTIMATED FISCAL IMPACT:

On March 15, 2015, a fiscal note was issued for this bill with the following estimated fiscal impact:

Increase State Expenditures – Exceeds \$443,600/FY16-17/BEP

On March 30, 2015, the Department of Education's pre-K division provided this office with additional information on the number of students who may be impacted by this bill. Based on this updated information, the corrected estimated fiscal impact is as follows:

(CORRECTED)

Increase State Expenditures - \$44,400/FY16-17/BEP

Assumptions:

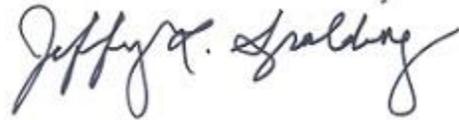
- Based on statistics from the Tennessee Department of Education pre-K database, it is estimated that the number of students who may be eligible to enroll in kindergarten in FY15-16 is 25.]
- Factors that impact this analysis are the number of parents who will be eligible to enroll their children in kindergarten but will choose not to do so; the number of students currently enrolled in pre-kindergarten programs who entered pre-K during the 2013-2014 academic year who were born between August 15 and August 30; and Tenn. Code Ann. § 49-6-3001(b)(2)(B) which provides an alternative path to kindergarten enrollment for students whose birthday is after the cut-off date of August 15, but is before September 30.
- Of the estimated 25 eligible, it is estimated that a minimum of 10 additional students will opt to enroll in kindergarten in the 2015-2016 academic year under the provisions of this bill. These students are presumed to not enroll in FY15-16 in the absence of the bill, but rather enroll for the FY16-17 school year.
- The Basic Education Program funding formula funds on the previous year's average daily membership; therefore, the one-time BEP formula increase will not be realized until FY16-17 (based on the one-time enrollment change occurring in FY15-16).

SB 303 - HB 1361 (CORRECTED)

- The BEP formula state BEP per pupil expenditure in FY16-17 is estimated to be \$4,436 with a local BEP match of \$2,353. Actual local expenditures will not be increased since LEAs are currently funding above and beyond the local match requirement.
- The one-time increase in state BEP expenditures in FY16-17 is estimated to exceed \$44,360 (10 additional students x \$4,436).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Jeffrey L. Spalding, Executive Director

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