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FISCAL IMPACT REPORT

SPONSOR:	Cisneros	DATE TYPED:	02/11/00	HB	
SHORT TITLE:	Educational Technology Fund Distribution			SB	214/aSEC
				ANALYST:	Fernandez

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY00	FY01	FY00	FY01		
	NFI				

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to

SOURCES OF INFORMATION

State Department of Public Education (SDE)

SUMMARY

Synopsis of SEC Amendment

The Senate Education Committee amendment corrects a drafting error, changing the base equity factor from .0075 to .075.

Synopsis of Original Bill

Senate Bill 214 revises distribution of funds appropriated to the Educational Technology Fund.

The bill establishes a base equity factor or minimum funding level of .0075 of the total appropriation to the Educational Technology Fund.

Significant Issues

School districts are guaranteed to receive the minimum funding level. According to SDE, it is difficult for smaller rural districts to purchase technology under the current formula which is based on a per pupil allocation.

SDE indicates that the base equity factor should provide opportunities for small and rural districts that were not otherwise available with the current formula.

FISCAL IMPLICATIONS

Passage of this bill does not result in an increase or decrease in required funding but rather in a redistribution of the appropriation level.

The following is the revised formula:

- Calculate an "unadjusted" entitlement based on the total annual appropriation divided by the projected membership, with kindergarten students calculated as a .5 FTE. Multiply the per pupil allocation times the number of students in each district.
- Calculate a base allocation for each school district by multiplying the total annual appropriation by a base equity factor of .0075.
- An analysis is then performed to compare the "unadjusted" entitlement with the base allocations by district. If a districts' "unadjusted" entitlement is lower than the base allocation, give the base allocation amount.
- Subtract all the base allocations from the total annual appropriation.
- Subtract the membership for all districts receiving a base allocation amount, from the total statewide projected membership.
- Divide the remaining annual appropriation by the remaining projected membership and distribute to remaining school districts.

ADMINISTRATIVE IMPLICATIONS

SDE does not anticipate additional administrative impact from passage of this bill. The department reports that a process and procedures are already in place for the distribution, monitoring and reporting of funds appropriated to the Educational Technology Fund.

TECHNICAL ISSUES

There is a drafting error in the bill. As drafted, the base equity factor is .0075. Clarification from SDE indicates the factor should be .075, or seventy-five tenths of one percent.

CTF/njw:gm