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FISCAL IMPACT REPORT

SPONSOR Foley DATE TYPED 03/05/05 HB 540/a HEC

SHORT TITLE Educational Programs SB _____

ANALYST Chabot

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$9,000.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to SB 4
Relates to Appropriation in the General Appropriation Act

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY05	FY06			
	\$5,000.0		Recurring	Schools in Need of Improvement

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From
Public Education Department (PED)

SUMMARY

Synopsis of HEC amendment

The House Education Committee amendment to House Bill 540 adds the requirement for PED to collaborate with fine arts educators for materials and equipment.

Synopsis of Original Bill

House Bill 540 appropriates \$9 million from the general fund: \$5 million is to the Schools In Need of Improvement Fund for after-school programs, including tutoring students having English as a second language and those in schools ranked as needing improvement; and \$4 million to PED for music education programs.

Significant Issues

PED reports there are 132 schools designated as schools in need of improvement under No Child Left Behind Act of 2001 criteria. Each of these is required to implement additional requirements such as supplemental services such as after-school programs and tutorial services. Federal funds are available for Title 1 designated schools; however, state funds must be used for other schools.

NCLB gives arts equal recognition with mathematics, science, languages, civics, government, economics, history and geography. PED assess this bill supports systemic education reform by strengthening arts education as an integral part of curriculum. Research supports overall student improvement when arts education in dance, music, visual arts and multi-arts. One study called Creating Original Opera for elementary students documented improved performance by as a result of collaborative learning. By working together, students were engaged in open-ended problem solving and oral presentation activities.

PERFORMANCE IMPLICATIONS

After school programs and English classes may lead to improved student outcomes and allow more schools to meet adequate yearly progress under the federal No Child Left Behind act.

FISCAL IMPLICATIONS

The appropriation of \$5 million contained in this bill is a non-recurring expense to the general fund and any unexpended or unencumbered balance remaining at the end of any fiscal year shall not revert. The appropriation of \$4 million is a recurring expense to the general fund and any unexpended or unencumbered balance remaining at the end of fiscal year 2006 shall revert to the general fund.

The LFC FY06 appropriation recommendation is balanced between recurring revenues and expenditures and any increase in recurring funding must be offset by reductions in other areas of the recommendation. The Legislature must consider all priorities and funding requirements to find revenue to support this legislation.

ADMINISTRATIVE IMPLICATIONS

PED will have to develop rules and procedures for administering the music education program funds.

TECHNICAL ISSUES

PED suggests specifics should be provided for the music education programs such as grade levels to be included, should the program be aligned with standards, and benchmarks for music pro-

grams, and whether hiring of music teachers is included.

POSSIBLE QUESTIONS

1. Will the appropriation to the schools in need of improvement fund be restricted to the services listed in the bill or can PED use it for additional services?
2. How will the appropriation for music be integrated with the elementary fine arts program funded through the funding formula?

GAC/sb:lg