

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
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**FISCAL IMPACT STATEMENT**

**LS 7037**

**BILL NUMBER: SB 292**

**DATE PREPARED:** Feb 21, 2002

**BILL AMENDED:** Feb 21, 2002

**SUBJECT:** High Ability Students.

**FISCAL ANALYST:** Chuck Mayfield

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**FUNDS AFFECTED:**  **GENERAL**  
 **DEDICATED**  
 **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:**(Amended) This bill requires: (1) the Education Roundtable to include a representative of education programs for exceptional learners (children with disabilities and high ability students); (2) the Department of Education to provide grants to school corporations to carry out plans for high ability students who meet certain criteria; and (3) a school corporation's strategic and continuous school improvement plan to address the needs of all students, including exceptional learners. It requires a school corporation to review its programs to determine whether certain practices have the effect of systematically separating students by race, color, creed, national origin, or socioeconomic class. The bill provides a method to allow school corporations to count the number of course credit hours attributable to individual teachers for purposes of determining teachers' salaries, compensation, and other benefits.

**Effective Date:** July 1, 2002.

**Explanation of State Expenditures:** For the 2000 school year, about 92,220 students were identified as gifted and talented students.

The provision that the Education Roundtable include a representative of education programs for exceptional learners would have no fiscal impact. The bill does not add a member to the Roundtable, but specifies that the current membership must include representatives of exceptional learners. Currently, the Roundtable must include a representative of special education.

The bill also establishes a separate program administered by the Department of Education to distribute grants to schools for programs for high ability students, but contains no funding for the grants. The Department of Education does not anticipate that additional resources will be needed to administer the changes.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** (Revised) *Strategic and Continuous School Improvement Plan:* Schools may experience additional administrative costs due to including a plan to address the learning needs of all students, including exceptional learners, in the school’s strategic and continuous improvement plan.

*Tracking:* Schools may also experience additional expense associated with reviewing its programs to determine whether certain practices have the effect of systematically separating students by race, color, creed, national origin, or socioeconomic class. The impact is probably minor.

*Master Degree Equivalence:* The bill could affect local school budgets by increasing teacher compensation for teachers with approved academic credit above an undergraduate degree. The amount of approved academic credit to equate to a master’s degree would be determined through collective bargaining.

About 107 schools are paying some teachers with a master’s degree or bachelor’s degree with the same years of experience, the same salary. It is assumed that those schools have some method of equating approved academic credit earned to a master’s degree. There are about 21,980 teachers with bachelors’ degrees, and there are about 8,504 teachers in 107 schools in the situations described above. Approximately 421, or 5%, of the 8,504 teachers are receiving the same pay as a master’s degree. The impact would depend on the collective bargaining agreements a school might negotiate.

Schools would not receive any additional revenue due to the bill. Schools would have to fit the possible increase into their normal budgeting process.

**Explanation of Local Revenues:** Schools would be eligible for grants for high ability students if the Department of Education has sufficient appropriations for the grants. To be eligible for the grants, a school would have to meet the following criteria:

1. The school develops a plan for multiple means of identifying high ability students.
2. The school develops a plan setting forth appropriate education experiences in core curriculum areas for high ability students.
3. The school develops a plan aligned with the strategic and continuous school improvement plan.

**State Agencies Affected:** Department of Education.

**Local Agencies Affected:** Local School Corporations.

**Information Sources:**