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**FISCAL IMPACT STATEMENT**

**LS 6120**

**BILL NUMBER:** HB 1023

**NOTE PREPARED:** Nov 5, 2002

**BILL AMENDED:**

**SUBJECT:** Full day kindergarten grants.

**FIRST AUTHOR:** Rep. Smith V

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

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

**IMPACT:** State & Local

**Summary of Legislation:** This bill provides a \$1,500 grant for each full day kindergarten pupil. It annually appropriates from the state general fund to the department of education the amounts necessary to make the grants.

**Effective Date:** July 1, 2003.

**Explanation of State Expenditures:** Each school corporation would receive a grant of \$1,500 for each student who is enrolled in a full-day kindergarten program starting with the 2003-2004 school year. The expenditures resulting from this grant will depend on the number of students who enroll full day. Two distinct populations of students will determine the expenditures associated with this grant: students who are currently attending kindergarten (72,703 in school year 2002) and students who are not currently enrolling in kindergarten, but might if kindergarten went full-day (estimated by the number of students enrolling in first grade less the number of students enrolling in kindergarten, an estimated 8,500 students).

Assuming that the number of students who would be enrolled in a full-day program would be 80% because the grant amount under this bill would be less than the amount those school corporations would have received if they had a full ADM, the additional costs would be \$87,243,600 (72,703 x 80% x \$1,500). If some portion of students who are currently not enrolled would decide to attend, the additional expenditures would be \$10,020,000 (8,500 x 80% x \$1,500). The annual cost associated with this grant when fully implemented would be about \$97,443,600.

*Background:* The state currently provides \$10 M annually to 113 of the 293 eligible school corporations to provide full-day kindergarten programs. This funds 305 full-day programs and gives approximately 6,300

kindergarten students access to the full-day program.

The net cost to the state would be about \$87,443,000 when the program is fully implemented.

This bill annually appropriates the amount needed for the Full-Day Kindergarten Grants from the state General Fund.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** See *Explanation of State Expenditures*.

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

**Local Agencies Affected:** Local Schools.

**Information Sources:** Department of Education budget forms, Department of Education Databases.

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