

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7268

BILL NUMBER: HB 1356

NOTE PREPARED: Jan 29, 2004

BILL AMENDED:

SUBJECT: Transfer tuition.

FIRST AUTHOR: Rep. Scholer

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

**FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL**

IMPACT: State

Summary of Legislation: This bill provides that a student who is placed in a facility, a home, or an institution may attend school in the school corporation in which the facility, home, or institution is located, and that the state is required to pay transfer tuition for the student if no other person or entity is required to pay the student's transfer tuition.

Effective Date: July 1, 2004.

Explanation of State Expenditures: The impact would depend on the number of students that are currently placed in a public care facility, childcare facility, or foster family home and there is no person or entity required to pay the student's transfer tuition. It is unknown how many additional students the state would be required to pay transfer tuition. For FY 2003, the state spend \$27,065 of a \$215,000 appropriation on transfer tuition and reverted \$187,935.

Background: Transfer tuition is paid on the daily costs of the school programs that serve the transfer students. Transfer tuition is approximately the school's General Fund expenditures per ADM but could vary within the school depending on the programs serving the student. Special education and vocational education programs have higher transfer tuition cost than elementary education programs.

For the 2002-2003 school year, General Fund expenditures per ADM ranged from a low of \$4,874 per student to \$12,223 per student. The average was \$5,841.

School corporations of legal settlement are required to pay transfer tuition if a student is placed in a state licensed private or public health care facility, childcare facility, or foster family home by the Division of Family and Children, court order, or child-placing agency licensed by the Division of Family and Children.

A school is also responsible for transfer tuition if the placement is recommended by a physician and is for more than 14 consecutive calendar day or an aggregate of 20 calendar days.

The state is responsible for transfer tuition for students placed in an institution operated by the Division of Family and Children or the Division of Mental Health and Addiction or in an institution, a public or private facility, a home, a group home, or an alternative family setting by the Division of Disability, Aging, and Rehabilitative Services or the Division of Mental Health and Addiction.

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: Budget Agency Appropriation and Allotments database.

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