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FISCAL IMPACT STATEMENT

LS 6995
BILL NUMBER: HB 1338

NOTE PREPARED: Jan 9, 2006
BILL AMENDED:

SUBJECT: School Improvement Progress and Awards.

FIRST AUTHOR: Rep. Harris T
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: The bill establishes additional criteria for determining a school's improvement compared with the school's performance in previous years. The bill provides a graduated series of awards based on improvement.

Effective Date: July 1, 2006.

Explanation of State Expenditures: *Summary-* The Department of Education's current level of resources should be adequate to administer the School Improvement Award Program (SIAP).

Under the bill, the Department would be allowed to use gifts and grants to provide funding for the SIAP. The bill would also allow the SIAP to receive appropriations from the General Assembly. Monetary awards given under the proposed program would depend on the source and amount of funds that would be received by the program. Barring reception of donations, new grants, or use of existing grants, the source of funds for awards would depend upon legislative and administrative actions.

Background Department of Education- As of October 4, 2005, the Department of Education had 295 full-time, four part-time, 11 intermittent employees, and six employees on leave. The Department reverted \$0.9 M in FY 2005.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: *School Improvement Award Program-* Under the bill, schools would be eligible for the following awards:

- (1) Increased flexibility in providing professional development,
- (2) Funding for teacher mentor stipends,
- (3) Funding for teacher bonuses.

To determine eligibility for an award, schools would be graded on improvement in performance factors including:

- (1) ISTEP scores (with each of the following categories compared as separate performance factor: special education, high achievement, and limited English proficiency, students qualifying for free/reduced price lunch.)
- (2) High school graduation rates.

Schools could receive varying awards based on improvements in graduation and the individual ISTEP categories listed above.

State Agencies Affected: Department of Education.

Local Agencies Affected: Local schools.

Information Sources: *State of Indiana HRM Detail Staffing Report, October 4, 2005*; State Budget Agency: *FY2005 General and Rainy Day Fund Summaries*;

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