

**148TH GENERAL ASSEMBLY****FISCAL NOTE**

BILL: HOUSE BILL NO. 161

SPONSOR: Representative Hudson

DESCRIPTION: AN ACT TO AMEND TITLE 14 OF THE DELAWARE CODE ESTABLISHING THE PARENT EMPOWERMENT EDUCATION SAVINGS ACCOUNT ACT.

**ASSUMPTIONS:**

1. This Act is effective August 1, 2015.
2. This Act creates Parent Empowerment Education Savings Accounts to allow parents of children with special needs to receive the state aid appropriated for their child that would otherwise be provided to their resident school district. Under this Act, parents would be able to use this funding for qualifying education expenses in the design of their children's education plan.
3. The state education funding formulae determining state aid to school districts and charter schools are based on units of pupils rather than a per pupil amount. As such, it is assumed that the per pupil amount to be deposited into Parent Empowerment Education Savings Accounts shall be determined using state appropriations for Division Funding for Personnel Costs, All Other Costs/Energy and Equalization; Related Services, Academic Excellence and Exceptional Student Unit-Vocational.
4. Based on the September 30, 2014 enrollment count, there are 18,946 students with special needs generating 2,995.26 units. The state share of a unit value is \$78,068.
5. Academic Excellence generates 1 unit for every 250 students. It is assumed, based on the September 30, 2014 enrollment count, that children with special needs generate 75.78 units for Academic Excellence (18,946 divided by 250). The unit value for Academic Excellence is \$75,633.
6. The state aid per pupil to be deposited to a Parent Empowerment Education Savings Account is assumed at \$12,815.

\$233,833,958	Division Funding (2,995.26 units X \$78,068)
\$360,000	FY 2015 Budget for Exceptional Student Unit Vocational
\$2,870,700	FY 2015 Budget for Related Services
\$5,731,771	Academic Excellence (75.78 units X \$75,633)
\$242,796,429	TOTAL
18,946	# of children with special needs based on September 30, 2014 enrollment count
<b>\$12,815</b>	<b>State Per Pupil Amount</b>

7. The number of families taking advantage of Parent Empowerment Education Savings Accounts is indeterminable. However, based on the state share of a unit value (\$78,068) and the assumed state per pupil amount to be deposited to an Account (\$12,815), a school district would lose 1.0 teaching unit for approximately every 6 students taking advantage of the Accounts (\$78,068 divided by \$12,815).

Cost:

Fiscal Year 2016:	<u>Indeterminable</u> but it's assumed for approximately every 6.0 students taking advantage of the Accounts, a school district will lose 1.0 teaching unit.
Fiscal Year 2017:	<u>Indeterminable</u> but it's assumed for approximately every 6.0 students taking advantage of the Accounts, a school district will lose 1.0 teaching unit.
Fiscal Year 2018:	<u>Indeterminable</u> but it's assumed for approximately every 6.0 students taking advantage of the Accounts, a school district will lose 1.0 teaching unit.

Office of Controller General  
June 08, 2015  
MSJ:MSJ  
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(Amounts are shown in whole dollars)