

# Fiscal Analysis

## SCHOOL AID PRORATION



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**Bill/Sponsor**                      **HOUSE BILL 4227 (H-5), Rep. Mike Pumford**

**House Committee**                Appropriations

### **Analysis**

#### **Summary**

House Bill 4227 (H-5) amends the proration calculation under Section 11 of the School Aid Act. This section states that if revenues are anticipated to fall short of appropriations, a proration shall be made on an equal percentage basis to all programs, except those that are specifically exempted. The bill would change the way prorations occur beginning with any new proration that may occur after May 1, 2003 and adds sections 51a(12), 53a and 56 to the list of already protected categoricals.

Under HB 4227 (H-5), the calculation of the amount of a proration would be as follows:

- A school district or public school academy's reduction due to any proration would be made on an equal per-pupil basis. This means all districts would receive the same dollar amount of reduction for each pupil in the district.
- An intermediate school district's (ISD's) reduction from any proration would be made on an equal percentage basis (because ISDs do not have pupils.)

HB 4227 (H-5) requires the Department of Education to reduce each district's total state school aid other than those specifically exempted payments.

#### **Fiscal Impact**

This bill would have no fiscal impact to the State.

### **Analyst(s)**

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