

STATEMENT OF PURPOSE

RS29588C1 / H0669

This proposed legislation known as the “Hope and Opportunity Scholarships Program,” would create Hope and Opportunity Scholarships (HOS) accounts for Idaho families with student(s) in Kindergarten through 12th grade. The act would allow education funding dollars to follow students so parents could access the education services and environments that work best for their children. Families can use funds for private tutoring; curriculum, tuition and fees at a private school; among other approved expenses. Funds will be allocated based on the total number of eligible applications received by the State Department of Education. Scholarships are worth eighty percent (80%) of the “most current available statewide average general maintenance and operations fund expenditures per full term average daily attendance as calculated by the department”. This amount is approximately \$5,950 (State Department of Education 2019-2020 Financial Summaries 1 – General M & O fund expenditures per full term A.D.A. is \$7,444).

FISCAL NOTE

State impact: Student-Based Funding (SBF): The state’s cost to fund HOS accounts in the program’s first year is estimated to be \$12.7 million, or 0.4% of the total cost for Idaho’s public school system. Under student-based funding, this would be offset by \$13.0 million in reduced state expenditures. After factoring these savings, we estimate a state net fiscal benefit of \$336,000, or \$20 per HOS.

Hold-Harmless Funding (HHF): The state’s cost to fund HOS accounts in the program’s first year is estimated to be \$12.7 million, or 0.4% of the total cost for Idaho’s public school system. Under hold-harmless funding, there would not be any reduced state expenditures. Thus, we estimate a state net cost of \$12.7 million, or approximately \$5,950 per HOS.

Local Impact: There will be no impact on local funds.

Contact:

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DISCLAIMER: This statement of purpose and fiscal note are a mere attachment to this bill and prepared by a proponent of the bill. It is neither intended as an expression of legislative intent nor intended for any use outside of the legislative process, including judicial review (Joint Rule 18).