

Summary Information - Model 68771 CSHB1759, 84RS

Foundation School Program (FSP) Model Description				
Model 68771 differs from current law as follows:	FY 2016	FY 2017	FY 2018	FY 2019
Basic Allotment (current law \$5,040)	\$5,888	\$5,888	\$5,888	\$5,888
Tier 1 Equalized Wealth Level (current law \$504,000)	\$588,800	\$588,800	\$588,800	\$588,800
Cost of Education Index	Repealed	Repealed	Repealed	Repealed
Midsized Adj - Phasing Out Limited to \$ of Basic Allot	\$3,780	\$3,528	\$3,276	\$3,024
Small District Adjustment - Applied to \$ Basic Allot.	\$5,165	\$5,165	\$5,165	\$5,165
Career & Technology Allotment		Expanded to include Grade 8 Students		
Transportation Allotment		Distributed via Basic Allotment \$125 per ADA + small district adjustment		
High School Allotment		Distributed via increased Basic Allotment		
Additional Aid for Nonprofessional Salary		Distributed via increased Basic Allotment		
1992-93 Chapter 41 Hold Harmless	Repealed	Repealed	Repealed	Repealed
Rate Conversion for Districts Compressed < \$1.00	Optional	Optional	Automatic	Automatic
Transitional Stop-Loss Provision	Ensures no district loses revenue relative to current law		Not Applicable	Not Applicable

Foundation School Program (FSP) State Aid Impact Summary				
Fiscal Year	FY 2016	FY 2017	FY 2018	FY 2019
Tier 1 Formula State Cost/(Savings)	\$1,823,225,785	\$1,900,279,569	\$1,939,880,088	\$1,983,648,556
Tier 1 ASATR Hold Harmless State Cost/(Savings)	(\$230,319,786)	(\$275,040,853)	\$0	\$0
Tier 2 State Cost/(Savings)	(\$182,119,889)	(\$184,776,873)	(\$190,618,663)	(\$195,571,841)
Transitional Stop-Loss Provision	\$75,670,505	\$81,170,385	\$0	\$0
Annual State Cost/(Savings)	\$1,486,456,615	\$1,521,632,228	\$1,749,261,425	\$1,788,076,715
Biennial State Cost/(Savings)		\$3,008,088,843		\$3,537,338,140

Change in School Districts' and Students' Formula Funding Status				
	FY 2016	FY 2017	FY 2018	FY 2019
Number of Tier 1 Formula-Funded School Districts:				
Current Law	800	798	1,024	1,024
Model 68771	948	948	1,024	1,024
ASATR Hold Harmless State Aid Amount:				
Current Law	\$321,032,878	\$369,860,882	\$0	\$0
Model 68771	\$90,713,092	\$94,820,029	\$0	\$0
Change in Hold Harmless Amount	(\$230,319,786)	(\$275,040,853)	\$0	\$0

**FY16 % ADA Formula-Funded**

Category	% ADA Hold Harmless	% ADA Formula Funded
Current Law	13%	87%
Model 774	2%	98%

**FY17 % ADA Formula-Funded**

Category	% ADA Hold Harmless	% ADA Formula Funded
Current Law	18%	82%
Model 774	2%	98%

Chapter 41 Recapture Comparison				
	FY 2016	FY 2017	FY 2018	FY 2019
Number of School Districts Subject to Recapture Tier 1 Equalized Wealth Level:				
Current Law: \$504,000	186	212	229	250
This model \$588,800 - \$588,800 - \$588,800 - \$588,800	155	176	187	204
Total Tier 1 Recapture:				
Current Law	\$1,645,105,580	\$1,942,850,941	\$2,252,023,354	\$2,614,375,838
This Model	\$1,346,134,230	\$1,559,727,013	\$1,823,342,370	\$2,144,105,943
Change in Tier 1 Recapture:	(\$298,971,350)	(\$383,123,928)	(\$428,680,984)	(\$470,269,895)
Number of School Districts Paying Recapture Tier 2 Equalized Wealth Level (at current tax rates):				
Current Law: \$319,500	156	167	188	205
This Model: \$319,500	82	94	93	100
Total Tier 2 Recapture:				
Current Law	\$75,947,924	\$86,119,426	\$96,512,817	\$108,896,552
This Model	\$55,060,335	\$60,536,862	\$66,689,138	\$75,265,807
Change in Tier 2 Recapture:	(\$20,887,589)	(\$25,582,564)	(\$29,823,679)	(\$33,630,745)

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		Categorical Analysis							
# Dist	CATEGORY	Weighted Avg Total M&O Revenue per WADA - FY 2016		Weighted Avg Total M&O Revenue per WADA - FY 2017		Weighted Avg Change in Total M&O Revenue per WADA		Percent ADA	
		Current Law	Model 68771	Current Law	Model 68771	FY 2016	FY 2017	FY 2016	FY 2017
	<b>Enrollment</b>								
18	50,000 and over	\$5,832	\$6,040	\$5,829	\$6,044	\$208	\$215	28.4%	28.2%
30	25,000 to 49,999	\$5,899	\$6,071	\$5,913	\$6,087	\$172	\$174	21.7%	21.7%
57	10,000 to 24,999	\$5,979	\$6,204	\$5,982	\$6,206	\$226	\$224	18.1%	18.3%
69	5,000 to 9,999	\$5,961	\$6,242	\$5,984	\$6,265	\$281	\$280	9.8%	9.8%
91	3,000 to 4,999	\$5,978	\$6,241	\$5,991	\$6,246	\$263	\$256	7.0%	7.0%
134	1,600 to 2,999	\$5,949	\$6,191	\$5,961	\$6,194	\$242	\$233	5.7%	5.8%
140	1,000 to 1,599	\$5,961	\$6,256	\$5,982	\$6,278	\$295	\$296	3.6%	3.6%
244	500 to 999	\$5,934	\$6,245	\$5,953	\$6,266	\$311	\$314	3.5%	3.5%
431	Under 500	\$6,151	\$6,425	\$6,177	\$6,453	\$273	\$276	2.2%	2.2%
	<b>District Type</b>								
11	Major Urban	\$5,763	\$5,999	\$5,757	\$6,005	\$236	\$248	18.5%	18.3%
79	Major Suburban	\$5,937	\$6,128	\$5,947	\$6,140	\$191	\$193	32.9%	32.9%
41	Other Central City	\$5,916	\$6,129	\$5,926	\$6,134	\$213	\$209	16.3%	16.3%
165	Other Central City Suburban	\$6,080	\$6,297	\$6,100	\$6,312	\$217	\$213	13.9%	13.9%
70	Independent Town	\$5,877	\$6,165	\$5,889	\$6,171	\$289	\$282	4.8%	4.7%
32	Non-metropolitan Fast Growing	\$6,253	\$6,458	\$6,269	\$6,472	\$205	\$203	0.7%	0.7%
182	Non-metropolitan Stable	\$6,003	\$6,254	\$6,024	\$6,267	\$251	\$244	5.4%	5.4%
444	Rural	\$6,161	\$6,437	\$6,193	\$6,473	\$276	\$280	3.1%	3.0%
190	Charters	\$5,669	\$6,011	\$5,685	\$6,028	\$343	\$343	4.4%	4.9%
	<b>Wealth - 2014-15</b>								
72	Under \$100,000 per WADA	\$6,049	\$6,169	\$6,068	\$6,187	\$121	\$119	6.4%	6.3%
144	\$100,000 - \$149,999 per WADA	\$5,849	\$6,070	\$5,860	\$6,079	\$220	\$219	9.2%	9.1%
169	\$150,000 - \$199,999 per WADA	\$5,895	\$6,125	\$5,910	\$6,137	\$230	\$227	13.1%	13.0%
283	\$200,000 - \$319,499 per WADA	\$5,896	\$6,129	\$5,912	\$6,142	\$233	\$231	31.6%	31.5%
192	\$319,500 - \$504,000 per WADA	\$5,881	\$6,074	\$5,880	\$6,078	\$192	\$198	27.3%	27.3%
156	Districts Subject to Current Law Recapture	\$6,322	\$6,650	\$6,335	\$6,671	\$329	\$336	7.9%	7.8%
195	Non-Taxing Districts & Charters	\$5,676	\$6,015	\$5,692	\$6,030	\$338	\$338	4.6%	5.0%
	<b>Wealth Quintiles - 2014-15</b>								
204	Under \$145,054 per WADA	\$5,942	\$6,123	\$5,957	\$6,135	\$180	\$179	14.3%	14.2%
204	\$145,054 - \$206,882 per WADA	\$5,900	\$6,124	\$5,915	\$6,136	\$223	\$220	16.5%	16.3%
204	\$206,883 - \$279,568 per WADA	\$5,907	\$6,159	\$5,925	\$6,175	\$252	\$250	19.1%	19.0%
203	\$279,569 - \$449,069 per WADA	\$5,899	\$6,095	\$5,908	\$6,100	\$196	\$192	31.1%	31.2%
204	More than \$449,069 per WADA	\$6,066	\$6,330	\$6,059	\$6,345	\$264	\$286	14.4%	14.3%
195	Non-Taxing Districts	\$5,676	\$6,015	\$5,692	\$6,030	\$338	\$338	4.6%	5.0%
	<b>STATE TOTAL</b>	<b>\$5,919</b>	<b>\$6,145</b>	<b>\$5,928</b>	<b>\$6,156</b>	<b>\$226</b>	<b>\$227</b>	<b>100.0%</b>	<b>100.0%</b>

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Equity Comparison	2014	2015	2016		2017	
	Current Law	Current Law	Current Law	Model 68771	Current Law	Model 68771
Standard Deviation	\$585	\$385	\$351	\$313	\$363	\$323
Coefficient of Variation	9.46%	6.25%	5.55%	4.59%	5.74%	4.72%

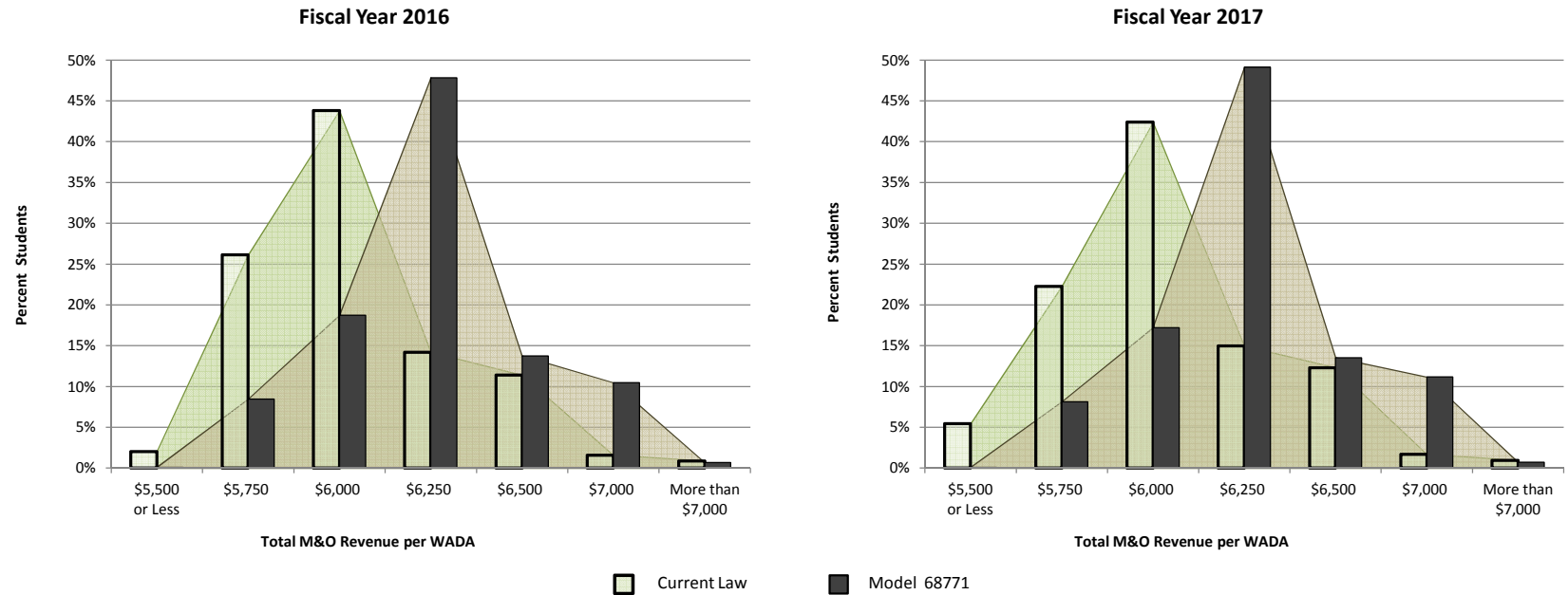
*Note: Equity Comparison measures assume equal (maximum) tax effort among all districts.*

The measures above provide information concerning the effect of the indicated model on measures of dispersion relative to mean M&O revenue per WADA among districts. The measures are the standard deviation of total M&O revenue per WADA and the coefficient of variation representing the standard deviation as a proportion of the statewide weighted average total revenue per WADA. Both of these measures are calculated by first assuming all districts are taxing at the same rate, the maximum tax rate of \$1.17, because variations in tax effort among districts prevent accurate comparisons for this type of analysis.

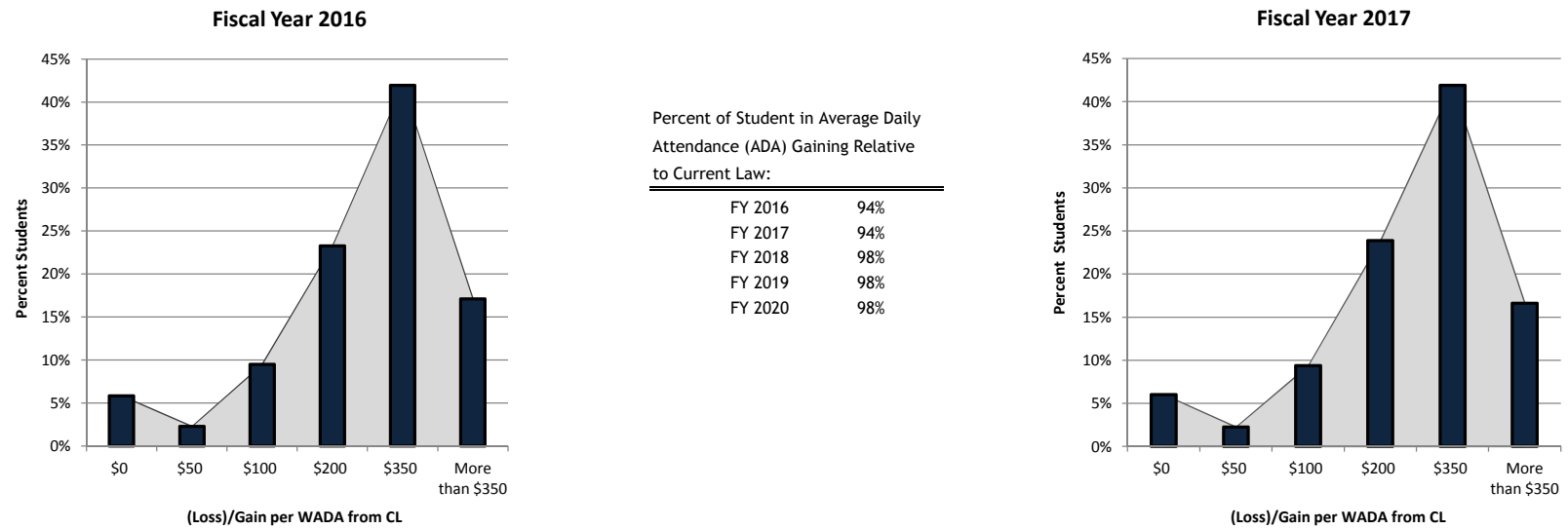
The coefficient of variation is an alternative measure of equity that does not focus on comparisons of one subset of districts or WADA against another; for example, revenue per WADA of the poorest 15% of districts vs. the wealthiest 15%, or Chapter 42 districts vs. Chapter 41 districts. Its advantage is that it is a measure of the total system by including all districts and WADA in its computation.

The coefficient of variation measure begins with the standard deviation for total revenue per WADA for each district, weighted for the size of the district's student population. The standard deviation is a measure of how widely spread districts are across the spectrum of total revenue per WADA, with a smaller number indicating more districts are grouped more closely to the average total revenue, and a larger number indicating that more districts have total revenue amounts farther from the average. Assuming a fairly normal distribution of districts around the statewide average revenue, approximately 68 percent of students will fall within plus or minus one standard deviation of the average, and about 95 percent will be within plus or minus two standard deviations of the average. The coefficient of variation is the proportion of statewide weighted average total revenue per WADA, represented by the standard deviation. The coefficient provides a measure that is comparable across years. A smaller coefficient indicates a higher level of equity.

**Comparison of Student Population by Total M&O Revenue per WADA Provided by Current Law and Model 68771**



**Student Population by Change in Total M&O Revenue per WADA under Model 68771**



Percent of Student in Average Daily Attendance (ADA) Gaining Relative to Current Law:

FY 2016	94%
FY 2017	94%
FY 2018	98%
FY 2019	98%
FY 2020	98%