

Fiscal Note & Local Impact Statement

122nd General Assembly of Ohio

BILL: H.B. 109

DATE: February 10, 1997

STATUS: As Introduced

SPONSOR: Rep. Fox

LOCAL IMPACT STATEMENT REQUIRED: Yes

CONTENTS: Permits students attending nonpublic nonchartered schools to enroll in college courses under the Post-Secondary Enrollment Options Program.

State Fiscal Highlights

- No direct fiscal effect on the state.

Local Fiscal Highlights

LOCAL GOVERNMENT	FY 1997	FY 1998	FUTURE YEARS
School Districts			
Revenues	- 0-	- \$36,152 – 177,114 decrease -	-\$36,152 – 177,114 decrease -
Expenditures	- 0 -	- 0 -	- 0 -

- If a student attending a nonpublic, nonchartered school participates in the Post-Secondary Enrollment Options Program for college and high school credit, the tuition cost of the courses would be subtracted from the school foundation payments of the public school district in which the student would be otherwise entitled to attend.
- School district costs for the program could be in the range of \$36,000 to \$177,000 per year, but actual results could be substantially different since so little is known about the eligible population.



Detailed Fiscal Analysis

The Post-Secondary Enrollment Options Program has been in existence since the early 1990s. Under the program, juniors and seniors in public and chartered nonpublic schools may enroll in, and receive credit for college courses.

Public Students Enrolled in the Post-Secondary Enrollment Options Program

If a public school student opts to receive both college and high school credit for a college course or courses under the Post-Secondary Enrollment Options Program, tuition costs for the courses are paid for by subtracting monies from the school district's school foundation payments. Information on the program is summarized in the table below:

Post-Secondary Enrollment Options Program – Public Students Fiscal Year 1995

Number of Participants	4,567 students
Total Number of 11 th and 12 th Grade Public Students Statewide	240,151
Percent of 11 th and 12 th Grade Students Participating in the Program	1.9%
Number of Colleges Participating in Program	65
Cost	\$5,335,036
Average Cost Per Participant	\$1,168

Students from Chartered Nonpublic Schools Enrolled in the Post-Secondary Enrollment Options Program

In the case of students who attend chartered, nonpublic schools, tuition costs for the college courses are paid for through special monies set aside in line item, 200-511, Auxiliary Services. For the current biennium \$1,000,000 is set aside in each fiscal year (FY 1996 and FY1997) to pay for the costs of the program for students attending chartered, nonpublic schools. Permanent law directs that applications from students attending these schools be taken on a first come, first served basis until the available funds are expended. Information on the program for students attending chartered, nonpublic schools is summarized below.

Post-Secondary Enrollment Options Program – Nonpublic Students Attending Chartered Nonpublic Schools Fiscal Year 1995

Number of Participants	179 students
Total Number of 11 th and 12 th Grade Nonpublic Students Statewide	25,190
Percent of 11 th and 12 th Grade Nonpublic Students Participating in the Program	0.71%
Number of Colleges Participating in Program	27
Cost	\$114,166
Average Cost Per Participant	\$638

Estimated Cost for Students Attending Nonchartered Nonpublic Schools

Nonchartered, nonpublic schools are only required to submit information of their existence to the Department of Education, and do not have to report on the number of students attending the school. Thus, the only information the department has on these schools is the number of them (282) and their location. To estimate the number of 11th and 12th grade students attending these schools, we used the average number of 11th and 12th grade students in each chartered, nonpublic school -- 28.3 students. If 28.3 students attend 11th and 12th grade in each nonpublic, nonchartered school, a total of 7,981 students attend these schools. (Note: This estimate is probably high, since diplomas awarded by nonchartered, nonpublic schools are not approved by the Department of Education, and students may want to have a Department of Education-approved diploma.)

Taking the admittedly high estimate of 7,981 11th and 12th grade students in nonchartered, nonpublic schools, if 0.71 percent participate in the Post-Secondary Enrollment Options Program at a cost of \$638 per student, approximately \$ **36,152** would be subtracted from the school foundation aid payments of the school districts these students would otherwise be authorized to attend. If 1.90 percent of these students participate in the Post-Secondary Enrollment Options Program at a cost of \$1,168 per student, approximately \$ **177,114** would be subtracted from the school foundation aid payments of the school districts these students would otherwise be authorized to attend. If, as time goes on, more students learn and take advantage of the program, possibly as many as five percent of 11th and 12th grade students may opt to participate, and if so, the cost to school districts would be \$466,090. Costs could also be expected to increase due to the increased cost of tuition.

Post-Secondary Enrollment Options Program – Estimated Cost of Students Attending Nonchartered Nonpublic Schools

Estimated Number of 11 th and 12 th Grade Students Attending Nonpublic, Nonchartered Schools	7,981 students
Estimated Number of Participants	57 – 152
Percent of 11 th and 12 th Grade Nonpublic Students Participating in the Program	0.71% - 1.90%
Estimated Cost	\$36,152 – 177,114
Average Cost Per Participant	\$638 - \$1,168

Impact on the State General Revenue Fund

Under the bill, there is no fiscal impact on the General Revenue Fund. However, it seems likely that public school districts that will be required to pay for the cost of the Post-Secondary Enrollment Options Program for students that attend nonpublic, nonchartered schools, will not be happy and may be successful in having special monies set aside for this purpose, similar to the procedure for students in nonpublic, chartered schools. If they are successful in having special monies set aside, expenditure increases in the General Revenue Fund, in the neighborhood of \$35,000 to \$200,000 can be expected.

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