

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 1346

DATE: March 22, 2004

Version: As amended by H1236A1

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Subject: Compensatory revenue; open enrollment students

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Overview

Compensatory revenue is a component of general education revenue that is calculated based on the percentage of students who are eligible for free or reduced price meals at each school site. The compensatory formula is called a concentration formula because the revenue generated by each eligible student increases as the overall percentage of eligible students increases.

This bill creates an additional calculation for open enrollment students. The compensatory revenue for an open enrollment student is equal to the greater of the revenue that the student generates at the school site or the average amount of compensatory revenue per pupil in the student's resident school district. This formula modification is expected to cost about \$1.6 million per year.

Section

- 1 Enrollment options compensatory revenue.** Creates a new component of general education revenue called enrollment options compensatory revenue. Sets the revenue amount equal to the greater of zero or an amount equal to the difference between the compensatory revenue actually generated by the student and the average per pupil amount of compensatory revenue in the student's district of residence.
- 2 Basic skills revenue.** Includes enrollment options compensatory revenue in the definition of basic skills revenue.