

HB 2630 -3 STAFF MEASURE SUMMARY

House Committee On Revenue

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Meeting Dates: 4/28, 5/27, 6/2

WHAT THE MEASURE DOES:

Provides that, for five school years starting from the 2020-21 school year, the weighted average daily membership (ADMw) of a school district calculated for purposes of distributing state moneys to school districts may not decrease from the 2019-20 school year level, if the district was impacted by wildfires in 2020. Repeals such provisions on July 1, 2025. Takes effect on passage.

ISSUES DISCUSSED:

- Impact of wildfires on Phoenix-Talent Schools
- Need for stable funding to schools adversely affected by wildfires
- Difficulty in collecting data on impacted schools and school districts
- Source of funding for the bill

EFFECT OF AMENDMENT:

-3 Replaces the measure. Prescribes the methods to provide funding stability to certain school districts impacted by wildfires in 2020. Establishes the School Stabilization Subaccount for Wildfire-Impacted Schools within the Statewide Education Initiatives Account to support such funding. Applies to four consecutive school years starting from the 2021-22 school year for the State School Fund and Student Investment Account distributions. Repeals such funding on July 1, 2025. Takes effect on July 1, 2021.

BACKGROUND:

The provisions in the introduced version apply whenever ADMw is calculated for the purpose of distributing state moneys to school districts, including the distributions of the State School Fund and the Fund for Student Success.

The measure with the -3 amendments prescribes how the State School Fund (SSF) and Fund for Student Success should be distributed to certain school districts impacted by wildfires in 2020. In particular, the measure uses the money from the Statewide Education Initiatives Account (SEIA) in the form of a grant, to provide funding stability to the qualified school districts with decline in enrollment due to wildfires in 2020. The amended measure will be repealed on July 1, 2025.

The amended measure leaves unchanged the formula revenue for the SSF distribution purpose and funding for the SEIA. It uses set-aside money (\$10 million) from the SEIA to provide additional funds to qualified wildfire-impacted school districts with decline in enrollment for the next four school years. Consequently, the measure leaves the amount of formula revenue for distribution intact for any given year.