

# Fiscal Note

**BILL #** HB 2418

**TITLE:** group B weight; gifted pupils

**SPONSOR:** Pawlik

**STATUS:** As Amended by House ED

**PREPARED BY:** Patrick Moran

## Description

The bill would create a new Group B weight of 0.007 under the K-12 Basic State Aid formula for school districts and charter schools with educational programs for gifted pupils. It also appropriates \$850,000 to the Department of Education (ADE) in FY 2022 and FY 2023 to procure an assessment to identify gifted pupils in second grade.

## Estimated Impact

We estimate that the Group B weight would generate additional General Fund expenses of \$1.0 million annually beginning in FY 2022. This estimate assumes that 3% of Arizona public school students would qualify for the weight and that the average additional funding per pupil would be approximately \$31. Including the appropriations to ADE for gifted screening, the cost of the bill would be \$1.85 million in FY 2022, \$1.85 million, and \$1.0 million in FY 2024.

ADE has not provided an estimate of the cost of the bill.

## Analysis

A.R.S. § 15-779 defines a gifted pupil as a student "who due to superior intellect or advanced learning ability, or both, is not afforded an opportunity for otherwise attainable progress and development in regular classroom instruction and who needs appropriate gifted education services, to achieve at levels commensurate with the child's intellect and ability." Districts are required to establish gifted programs for such pupils and A.R.S § 15-779.02 permits districts to "identify any number of pupils as gifted but shall identify as gifted at least those pupils who score at or above the 97<sup>th</sup> percentile, based on national norms, on a test adopted by the State Board of Education."

The bill establishes a new Group B weight of 0.007 for educational programs for gifted pupils who score at or above the 97<sup>th</sup> percentile. Schools would not receive the funding weight for students enrolled in gifted programs who have test scores below the 97<sup>th</sup> percentile. We therefore assume that 3%, or 33,811 Arizona public school students, would qualify for the weight. The 0.007 weight would generate approximately \$31 in additional Basic State Aid funding per gifted student, resulting in estimated Basic State Aid cost increases of \$1.0 million from the General Fund in FY 2022.

The bill also includes appropriations of \$850,000 in FY 2022 and FY 2023 for ADE to procure an assessment that districts and charters could use to identify gifted students in the second grade. Including the appropriations, the fiscal impact of the bill would be \$1.85 million in FY 2022, \$1.85 million in FY 2023, and \$1.0 million in FY 2024.

## Local Government Impact

The bill would generate an estimated \$51,200 in local property tax revenues for non-state aid districts associated with increased budget capacity resulting from the new gifted weight.

2/19/21

**JLBC**