

**Summary of Budget Amendments to the Fiscal Year 2004
Budget (HB/SB 29 - "Caboose Bill") Adopted by the
General Assembly**

This document provides a summary of amendments to the fiscal year 2004 introduced budget (HB/SB 29) that were adopted by the full membership of the General Assembly on March 13, 2004. These amendments are noted as "Final General Assembly Action:." The budget amendments previously proposed by the House and by the Senate in their respective versions of the fiscal year 2004 budget are also shown for your reference. The fiscal year 2004 budget amendments adopted by the General Assembly now go to the Governor for his review and action. The General Assembly will review any final changes proposed by the Governor at the reconvened session (i.e., "veto session") scheduled for April 21, 2004.

**DIRECT AID TO PUBLIC EDUCATION BUDGET - Fiscal Year
2004 (HB/SB 29)**

• **Update Sales Tax Projections**

House: Increases the one percent sales tax estimate by \$16.7 million in fiscal year 2004 due to a revised forecast by the Department of Taxation. The Basic Aid off-set is \$9.3 million in fiscal year 2004 for a net increase in state funding to school divisions of \$7.4 million in fiscal year 2004.

Senate: Same as House amendment.

Final General Assembly Action: Adopts the House and Senate amendments.

- **Carry Forward Additional Lottery Proceeds for Distribution from Fiscal Year 2004 to Fiscal Year 2005**

House: Carries forward \$9.9 million in additional Lottery proceeds that were to be distributed to school divisions in fiscal year 2004 to fiscal year 2005 for distribution to divisions to support costs for No Child Left Behind initiatives. Budget language requires that the funds be distributed to school divisions in fiscal year 2005 in the same manner as they would have been distributed in fiscal year 2004. Division superintendents would also have to certify that the funds would be used to support NCLB activities.

Senate: Accepts the Governor's recommendations and maintains the distribution of \$9.9 million in additional Lottery proceeds to school divisions in fiscal year 2004.

Final General Assembly Action: Transfers the additional local Lottery proceeds balance of \$9.9 million in fiscal year 2004 to fund a portion of the state share of Basic Aid. Consequently, these funds will not be distributed to school divisions as part of the local Lottery distribution in fiscal year 2004. As a result of this action, the local distribution of Lottery funds in fiscal year 2004 will be based on an estimated per pupil amount of \$224.25.

- **Governor's School Enrollment**

House: Same as Governor's introduced budget.

Senate: Increases Governor's School funding by \$383,565 in fiscal year 2004 to fund actual enrollment levels reported by each Governor's School in the Fall of 2003.

Final General Assembly Action: Adopts the House version which maintains the funding level proposed by the Governor. No additional funds are provided in fiscal year 2004 to fund actual enrollment levels reported by each Governor's School in the fall of 2003.

- **Fiscal Year 2004 to Fiscal Year 2005 Carry Forward Language**

House: Provides budget language allowing school divisions to carry forward funds that are unspent as of June 30, 2004, to fiscal year 2005 for use in the same program. This carry forward authority is provided for funds from the following programs: SOL Remediation, SOL Algebra Readiness, School Construction Grants Program, and Lottery.

Senate: Same as Governor's introduced budget. No carry over authority provided for these funds.

Final General Assembly Action: Adopts the House amendment.

DOE CENTRAL OFFICE BUDGET - Fiscal Year 2004 (HB/SB 29)

- **National Board Certification Bonus**

House: Reduces funding for National Board Certification bonuses by \$127,500 in fiscal year 2004 based on actual eligibility for the bonus payments in fiscal year 2004.

Senate: Same as House amendment.

Final General Assembly Action: Adopts the House and Senate amendments.