

SOUTH DAKOTA LEGISLATIVE RESEARCH COUNCIL

2024 South Dakota Legislature

FISCAL NOTE 2024-FN1250A

HB1250, An Act to provide for the creation and use of South Dakota educational empowerment accounts.

HB1250 would create educational accounts for requesting students who are not enrolled in a school district or do not have on file an alternative instruction notification as provided in § 13-27-3. Each qualifying year, a dollar amount equal to the per student allocation would be deposited into the student's account to be used for eligible expenses. Any money in the account carries over to the next year upon request by the parent, until the student graduates from high school, where any money remaining in the account is deposited into the State's general fund.

The fiscal impact of this bill could cause the State to incur general fund expenses of **\$109,159,906+** for fiscal year 2025. This amount could be more depending on the number of students switching from public to private school and/or disenrolling from alternative instruction (home school) and requesting an educational account provided in this bill. The number of students potentially changing enrollment was not factored into the fiscal impact of this bill.

The fiscal impact of this bill was calculated by taking the total 2023 fall enrollment of non-public K-12 students [14,741] multiplied by the estimated per student equivalent for fiscal year 2025 [\$7,405.19]. Data used in this fiscal note was obtained from the Department of Education's website.

APPROVED BY: /s/ John McCullough
Director, Legislative Research Council

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