

SOUTH DAKOTA LEGISLATIVE RESEARCH COUNCIL

FISCAL NOTE, 2015 LEGISLATIVE SESSION

FISCAL NOTE 2015-HB1147A

HB1147 is an act to increase the amounts of the annual awards given to recipients of the South Dakota opportunity scholarship.

HB1147 increases the opportunity scholarship from \$5,000 per student to \$6,500 per student. The Board of Regents estimates that 3,816 students will be eligible for the scholarship in FY16. Based on this estimate, the total scholarship cost would be \$5,973,500. Refer to the table below for an explanation of these calculations:

Estimated FY16 Calculation		
2012 Graduates (Year 4)	779 x \$2,600	\$2,025,400
2013 Graduates (Year 3)	842 x \$1,300	\$1,094,600
2014 Graduates (Year 2)	962 x \$1,300	\$1,250,600
2015 Graduates (Year 1)	1,233 x \$1,300	\$1,602,900
Estimated Total Eligible		
Students & Scholarship Cost	3,816	\$5,973,500
Total Amount Needed in FY16 Budget		\$5,973,500
Less: FY15 Budget		(\$4,699,499)
Est. Amount of Additional General Funds Needed		\$1,274,001

Currently, in years one through three, \$1,000 is awarded to eligible students. In year four, \$2,000 is awarded to eligible students. With HB1147, the amount awarded for years one through three would increase from \$1,000 to \$1,300. In year four, the amount awarded would increase from \$2,000 to \$2,600. Assuming 3,816 scholarship recipients, the additional general fund amount needed is \$1,274,001.

For FY2016, the total impact of HB1147 on the General Fund is an additional \$1,274,001.

APPROVED BY: ___/s/ Jason Hancock_____ DATE: 1/30/15_____