

**FISCAL NOTE**  
**SENATE BILL NO. 2400**  
**LC# 25.1334.06000**  
**04/22/2025**

**1 - State Fiscal Effect**

*Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2023-2025 Biennium		2025-2027 Biennium		2027-2029 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$110,841,500			
Appropriations			\$6,000,000			

**2 - County, City, School District, and Township Fiscal Effect**

*Identify the fiscal effect on the appropriate political subdivision.*

	2023-2025 Biennium	2025-2027 Biennium	2027-2029 Biennium
Counties			
Cities			
School Districts			
Townships			

**3 - Bill and Fiscal Impact Summary**

*Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

SB2400 allows parents to participate in a Education Savings Account.

**4 - Fiscal Impact Sections Detail**

*Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

If enacted, section 2 of this bill would provide:

- \$3500 for students that enroll in a participating nonpublic school or elect to home educate and enroll in the Center for Distance Education and has an annual income less than 300 percent of the federal poverty guidelines.
- \$2000 for students that enroll in a participating nonpublic school or elect to home educate and enroll in the Center for Distance Education and has an annual income between 300 percent and 500 percent of the federal poverty guidelines.

- \$1000 for students that enroll in a participating nonpublic school or elect to home educate and enroll in the Center for Distance Education and don't meet the income thresholds above.
- \$500 for students that attend a non-participating nonpublic school.
- \$1000 for students that enroll in a public school.
- \$1000 for students that elect to home school and submit an application for an education savings account.

## 5 - Revenues Detail

*For information shown under state fiscal effect in 1 or 2, please explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

## 6 - Expenditures Detail

*For information shown under state fiscal effect in 1 or 2, please explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Currently just over 25% of our nonpublic enrolled students take the state assessment. With the requirement to take the state assessment to receive the increased ESA amounts, DPI projects the number of schools to offer the state assessment to increase to 50% if SB 2400 passes.

With the ability to use the ESA account on meals, DPI estimates a 70% take up rate for the remaining students. If all nonpublic schools took the state assessment and DPI assumed a 100% utilization, the fiscal note would increase \$7 million.

## 7 - Appropriations Detail

*For information shown under state fiscal effect in 1 or 2, please explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

Section 4 appropriates \$3,000,000 for the administration of the ESA program.

Section 5 appropriates \$3,000,000 to the Department of Public Instruction for potential litigation.

## Contact Information

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