

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 393  
**Version:** First engrossment

**DATE:** February 28, 2013

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**Subject:** Compensatory Revenue Authorized for Early Education Programs

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### Overview

A school district receives compensatory revenue under a concentration formula that is based on the number of children attending each school site who qualify for free or reduced-price meals. Compensatory revenue must be reserved and used only for the purposes listed in statute. Under current law, at least 95 percent of the compensatory revenue must be directed to and spent at the school site where it is earned.

This bill authorizes a school district to spend compensatory revenue on programs designed to prepare children for school, including early education efforts, parent-training programs, school readiness programs, prekindergarten four-year-old programs, voluntary home visits, and other outreach efforts. The bill also authorizes school districts to spend another five percent of their compensatory revenue away from the school site where it is earned, if that money is spent on early education programs.

### Section

- 1 Uses of revenue.** Authorizes a school district to use compensatory revenue (a part of basic skills revenue) for programs designed to prepare children and families for school. Lists qualifying programs including early education programs, parent-training programs, school readiness programs, prekindergarten four-year-old programs, voluntary home visits, and other outreach efforts.
- 2 Building allocation.** Authorizes a school district to spend up to five percent of its compensatory revenue for early education programs (this is in addition to the five percent that currently may be spent away from the school site where it is earned).