

DEPARTMENT OF AUDITS AND ACCOUNTS

270 Washington St., S.W., Suite 1-156 Atlanta, Georgia 30334-8400

Greg S. Griffin STATE AUDITOR (404) 656-2174

January 11, 2021

Honorable Rhonda Burnough State Representative 409-C Coverdell Legislative Office Bldg. Atlanta, Georgia 30334

SUBJECT: Fiscal Note

House Bill (LC 49 0265)

Dear Representative Burnough:

The bill would change the name of the current Sparsity grant to Funding Adequate Instruction in Rural (FAIR) Georgia grant. It would also no longer be subject to appropriations. The grant provides eligible local school systems funding equal to the total cost for the resources needed that are not currently available to students. Appropriations for the grant have grown from \$5.7 million in fiscal year 2019 to \$7.6 million in fiscal year 2021.

The name change would have no fiscal impact; however, the absence of the "subject to appropriations" would have required the Georgia Department of Education (GaDOE) to provide an additional \$22.2 million in grant funding to systems in fiscal year 2021. While GaDOE received \$7.6 million in funding for the Sparsity grant in fiscal year 2021, full funding would have been \$29.8 million. Assuming the recent 8% annual growth rate, formula earnings are projected to be \$40.5 million by fiscal year 2025.

Sincerely,

Greg S. Griffin State Auditor

They S. Thij

belly Farr

Kelly Farr, Director Office of Planning and Budget