



# DOAA

Georgia Department  
of Audits & Accounts

**Greg S. Griffin**  
State Auditor

July 1, 2025

Honorable Karen Lupton  
State Representative  
611-C Coverdell Legislative Office Bldg.  
Atlanta, Georgia 30334

SUBJECT: Fiscal Note  
House Bill 796 (LC 61 0230)

Dear Representative Lupton:

The bill would implement student-based funding recommendations of the 2015 Education Reform Commission (Commission). The proposed funding formula includes a base amount per pupil with additional weighted amounts allocated for certain student characteristics such as grade level, gifted, economically disadvantaged students, or other categories of students that would earn additional funds throughout the state. We calculated the difference between existing QBE funding and funding under this bill statewide.

## K-12 Earnings Related to New Weighted Amounts

Under the bill, each kindergarten through grade 12 student receives a base weighted amount, plus a supplemental amount for various student characteristics. These characteristics includes grade levels (other than grade 6-8, which is the base off which other categories are calculated), career/technical/agricultural education, students with disabilities, intellectually gifted, economically disadvantaged, and English for Speakers of Other Languages(ESOL). A student may have multiple characteristics that result in supplements over the base weighted amount. For example, a student enrolled in grade 1 and an ESOL program would receive a base amount of \$3,650.88, a grade K-3 weighted amount equal to 0.2954 of the base (\$1,078), and an ESOL weighted amount equal to 0.2035 (\$743).

The calculation below shows the additional costs when comparing the FY 2026 formula earnings to an estimate of the new method of calculation based on Fall 2024 FTE counts (see **Table 1**). The total cost increase would be approximately \$1.3 billion, which is about a 15% increase from the current QBE funding. The fiscal impact could vary from these amounts, based on changes in enrollment and the QBE base amount.

**Table 1: Illustration of Potential Additional Costs (\$ in billions)**

	Mid-Term 2025 Headcount Enrollment	Earnings - Current Law	Earnings - New Bill	Additional Costs	% Change
Statewide Total	1,564,329	\$8.4	\$9.7	\$1.3	15%

The earnings under the current law include the new grant funding for FY26 in the newly created Student Support Services program that is not included in QBE and therefore not included in the new bill's calculation.

Respectfully,

A handwritten signature in blue ink, appearing to read "Greg S. Griffin".

Greg S. Griffin  
State Auditor

A handwritten signature in blue ink, appearing to read "R. Dunn".

Richard Dunn, Director  
Office of Planning and Budget

GSG/RD/ew