Public Education – Ongoing Budget Reductions

1. 2nd Special Session (September):
   a. Reduced the ongoing Public Education budget by 3% in FY 2009. The reduction totals $75.9 Million:
      i. $73.9 Million – Minimum School Program & School Building Program
      ii. $2 Million – Education Agencies (USOE, USDB, Arts, Sciences, etc.)
   b. All reductions were back-filled with one-time funding in FY 2009. Reductions will impact the new FY 2010 budget.
   c. Non-lapsing Balances Reduced by $60 Million
   d. No specific programmatic reductions were made during the special session.
   e. The Public Education Appropriations Subcommittee will discuss specific programmatic reductions during the 2009 General Session budget process.

2. Governor’s FY 2010 Budget Recommendations:
   a. Recommended an additional $136.4 Million reduction in FY 2010
      i. $127.8 Million – Minimum School Program
      ii. $8.6 Million – Education Agencies
      iii. No Additional Reductions in School Building Program
   b. Recommended a one-time back-fill in FY 2010 of $153.4 Million for the Minimum School Program
   c. No recommendations on programmatic reductions to meet budget recommendations

3. 2009 General Session:
   a. Additional reductions Required by the Executive Appropriations Committee
   b. Subcommittees Allocated 85% of FY 2009 Base Budget (Excludes all FY 2009 One-time Funding and 3% Special Session Reduction) – Equals $368.6 Million in Public Education
      i. $358.8 Million – Minimum School Program & School Building Program
      ii. $9.8 Million – Education Agencies
   c. One-Time Reduction of 7.5% in FY 2009 – Equals $188.5 Million in Public Education
      i. $188.5 Million – Minimum School Program & School Building Program
      ii. $5.5 Million – Education Agencies
   d. Student Growth – Projected 13,500 new students in Fall 2009
   e. Estimated cost $90 Million (Impact may be less depending on the number of MSP programs adjusted for student growth)
   f. Latest consensus revenue projections indicate a $380 Million shortfall in Education Fund Revenue