



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number:	S. 0754	Amended by Senate Education Subcommittee on January 8, 2020
Author:	Hembree	
Subject:	John De La Howe School	
Requestor:	Senate Education	
RFA Analyst(s):	Wren and Gardner	
Impact Date:	January 21, 2020	

Fiscal Impact Summary

The overall expenditure impact of the amended bill on the General Fund of John De La Howe is pending, contingent upon a response from the agency on Sections 3 and 5, which establish the course of study and admission criteria for the school. However, the agency indicates that Section 7 of the bill will increase General Fund expenses of the agency by \$416,000 for 8 new campus police officer FTE's. We anticipate that this expense will occur in FY 2020-21 since the agency expects to open the rebranded school in August 2020.

The amended bill is not expected to have an expenditure impact on the South Carolina Law Enforcement Division (SLED), Clemson University, South Carolina State University, the State Department of Education (SDE), or Piedmont Technical College since any expenses can be managed within each agency's current appropriations.

The revenue impact on Other Funds of John De La Howe is undetermined. We are unable to estimate the potential amount of donations the endowment fund may receive. Also, parking fees, program fees, maintenance fees, food service fees, and tuition rates have not been established. Further, the potential revenue derived from the sale of timber and farm products is also undetermined. However, we anticipate that any revenue derived from these sources will be realized in FY 2020-21 since the agency expects to open the rebranded school in August 2020.

The Other Funds revenue impact for public and private donations to the endowment fund is undetermined as we are unable to estimate the potential amount of donations the endowment fund may receive.

The revenue impact on local governments is undetermined since data is not available to estimate the number of violations that may occur as a result of Section 7 of the bill. Also, Section 7 of the bill is not expected to have an expenditure impact on local governments since we anticipate that county governments will be able to manage any additional hearings and trials in magistrate court within existing resources.

Explanation of Fiscal Impact

Amended by Senate Education Subcommittee on January 8, 2020 State Expenditure

The following sections will affect state expenditures as follows:

Section 1. This section requires all members of the board of trustees to successfully complete a training program on the powers, duties, and responsibilities of a board member. The training must include, but is not limited to, topics on policy development, personnel, school leadership and board relations, at-risk programs, finance, school law, ethics, and community relations, as determined by the board of trustees. Training on how to serve at-risk students must also be included. All members elected to the board of trustees after July 1, 2018, must complete the training within one year of taking office.

John De La Howe School. The agency indicates that it plans to use training that is currently offered to new board members through SDE. Also, if requested, the agency will reimburse members for mileage and per diem. Per diem is reimbursed at a rate of \$35, and mileage is reimbursed at a rate of 58 cents per mile. Board meetings must be held quarterly, or more often as needed. Additionally, the agency plans to develop manuals or will consult to have manuals created for board members. Therefore, the expenditure impact of this section on the agency is undetermined and will depend upon any reimbursements for mileage and per diem and any expenses associated with training manuals. We anticipate that any expenses associated with this section will be realized in FY 2020-21 since the agency plans to open the rebranded school in August 2020.

Section 2. This section allows the use of part-time or full-time faculty members for the agricultural and natural resources instructional program. As an alternative to traditional certification, these faculty members must hold advanced degrees or extensive professional experience in the agricultural and natural resources industry. Also, these faculty members must participate in annual professional development programs that are approved by the superintendent and the board of trustees. Additionally, the board of trustees must adopt policies and regulations governing the development of the agricultural and natural resources instructional program. This section further requires the academic program to be comprised of faculty that hold one or more degrees in the specific subject to be taught and must have achieved traditional state certification in the area of instruction. The President and Board will determine the salary scale of teachers and administrators of the school. The salary cannot exceed the highest salaries of any public school district in the state for those designated positions.

John De La Howe School. The agency indicates that it will utilize 7 full-time academic teachers, 3 full-time agricultural and natural resources teachers, and possibly 1 full-time media specialist. However, the agency indicates that there will be no change in the number of appropriated FTE's. Therefore, since the agency's current budget has appropriations for the FTE's and salary and fringe amounts, this section of the bill is not expected to have an expenditure impact on the agency.

Section 3. This section requires the board to establish the standard course of study for the school. The course of study must include instruction in the areas that constitute the usual high school curriculum and must provide in-depth instruction in agriculture, natural resources, and biotechnology.

John De La Howe School. The expenditure impact of this section is pending, contingent upon a response from the John De La Howe School.

Section 4. This section allows students that earn the required number of credits as specified in the Defined Minimum Program and that meet the school's requirements for graduation to receive a state high school diploma. Additionally, the board, in its discretion, may issue its own high school diploma for students that exceed the state requirements for a high school diploma.

John De La Howe School. The agency indicates that this section of the bill could increase expenses by \$100 per qualified graduate for the issuance of the agency's own high school diploma. Further, the agency indicates that the \$100 per qualified graduate will be used for special plaques, cords for graduation gowns, and a special banquet. However, since the number of qualified graduates in a given year is unknown at this time, the expenditure impact of this section is undetermined.

Section 5. This section requires the school to admit students in accordance with the admission criteria, standards, and procedures as established and approved by the board.

John De La Howe School. The expenditure impact of this section is pending, contingent upon a response from the John De La Howe School.

Section 6. This section requires the board to establish a foundation and maintain an endowment fund for the school that has the primary purpose of raising funds to support the furtherance of the school's mission, goals, and objectives. The endowment fund must be organized on a non-profit basis as a separate legal entity. The endowment fund budget must and its fundraising goals must be based on the operation and capital goals of the school as provided by the board in consultation with the school President. The board and endowment fund must enter into a written agreement detailing the rights, duties, and responsibilities of the fund prior to taking any action, including fundraising, on behalf of the school.

John De La Howe School. Since the foundation and endowment fund will be organized as a non-profit, we do not anticipate that this section will impact expenses of the agency.

Section 7. This section allows the board of trustees to employ campus police to control the buildings and grounds of the school. The campus police must work under the supervision of SLED and may not enter into such employment unless and until they have been appointed Governor's constables with general authority as peace officers.

This section also authorizes the board to promulgate regulations relating to vehicle traffic within the grounds of the school. These regulations include, but are not limited to, parking of vehicles and reduced vehicle speeds and to provide penalties for violations of the regulations not to

exceed a fine of \$100. Violations are triable in magistrates court. Additionally, the board may charge parking fees, issue parking passes, and erect gates and guard houses to control entry to the campus.

South Carolina Law Enforcement Division. SLED indicates that any enforcement of this section of the bill will be handled by the agency's existing personnel and will not result in additional expenditures. Therefore, this section of the bill will have no expenditure impact on SLED.

John De La Howe School. The agency indicates that it plans to hire 8 new campus police officers. Salary and fringe for the officers are expected to total \$416,000. We anticipate that this General Fund expense will occur in FY 2020-21 since the agency expects to open the rebranded school in August 2020. Additionally, the agency expects to utilize an existing police vehicle and existing golf carts for the campus police. We have reached out to the agency to determine if there will be any additional expenses associated with equipment for the officers.

Also, work has begun on a guard house and gate. The expenses are expected to total \$200,000, but are being paid for out of carryforward funds. Therefore, the agency will incur no additional expenses for the guard house and gate.

Section 8. This section establishes the Governor's School for Agriculture at John de la Howe to provide training for students that have a career aptitude in agriculture, agribusiness, natural resources, and biotechnology. The residential and day school programs must provide intensive instruction in agriculture that a student may complete to satisfy the requirements for a high school diploma and be prepared for college-level study. The school will also serve as a research and resource center for students and conduct adult education programs for teachers, farmers, and persons involved in the agricultural and natural resources industries.

John De La Howe School. The agency indicates that while this section establishes the school as the Governor's School for Agriculture at John de la Howe, the school will be a part of the John de la Howe agency's budget. Expenses to establish the school are addressed as part of the re-establishment of the agency.

Section 9. This section requires the non-voting ex officio members of the board to be comprised of the Dean of the College of Agriculture at Clemson University or his designee, the Dean of the College of Education at Clemson University or his designee, the Dean of the School of Business at South Carolina State University or his designee, the Chair of the Department of Accounting, Agribusiness, and Economics at South Carolina State University or his designee, the State Superintendent of Education or his designee, the Chair of the Agriculture Program at Piedmont Technical College, and the President of Piedmont Technical College.

We anticipate that any expenses associated with serving on the board can be managed within each agency's current appropriations. Therefore, we do not expect that this section of the bill will have an expenditure impact on Clemson University, South Carolina State University, SDE, or Piedmont Technical College.

State Revenue

The following sections will affect state revenues as follows. Additionally, any revenue collected from Sections 7, 15, and 16 will be Other Funds of John De La Howe and will be realized in FY 2020-21 since the agency expects to open the rebranded school in August 2020.

Section 6. This section requires the board to establish a foundation and maintain an endowment fund for the school that has the primary purpose of raising funds to support the furtherance of the school's mission, goals, and objectives. The endowment fund must be organized on a non-profit basis as a separate legal entity. The endowment fund budget must and its fundraising goals must be based on the operation and capital goals of the school as provided by the board in consultation with the school President. The board and endowment fund must enter into a written agreement detailing the rights, duties, and responsibilities of the fund prior to taking any action, including fundraising, on behalf of the school.

While states in recent years have received donations from the federal government and private sector, we are unable to estimate the potential amount of donations the endowment fund may receive. Therefore, the Other Funds revenue impact for public and private donations to the endowment fund is undetermined.

Section 7. This section allows the board to charge parking fees and to issue parking passes.

John De La Howe School. While the agency indicates actual parking fees have not been finalized, there has been discussion about potential rates for annual parking passes. The agency has indicated that annual parking passes could range from \$150 to \$225 annually, per pass. Since fees have not yet been established, the revenue impact of this section is undetermined.

Section 15. This section requires that all income the school receives from the sale of timber or farm products and from programs and events held on campus to be used for the construction, erection, and building of permanent improvements at the school and for the equipping of these improvements.

John De La Howe School. The agency indicates that it is in the process of establishing fees for programs held on the campus. Since program fees, the number of programs to be held on the school campus, and revenue from the sale of timber and farm products are unknown, the revenue impact of this section is undetermined.

Section 16. This section allows students that are legal residents to attend the school without paying tuition. However, these students must pay fees for maintenance and food services unless they meet the poverty requirements as defined in the will of John de la Howe and by current rules and regulations of SDE. All out-of-state and international exchange students must pay tuition and fees for maintenance and food services as determined by the board.

John De La Howe School. The agency indicates that the rebranded school can accommodate 300 residential students and 50 day students. The maintenance and food service fees for all students and the tuition rates for out-of-state and international exchange students have not been established. Therefore, the revenue impact of this section is undetermined.

Local Expenditure

The following section will affect local expenditures as follows:

Section 7. This section authorizes the board to promulgate regulations relating to vehicle traffic within the grounds of the school. These regulations include, but are not limited to, parking of vehicles and reduced vehicle speeds and to provide penalties for violations of the regulations not to exceed a fine of \$100. Violations are triable in magistrates court.

The offenses created by this section may result in additional hearings and trials in magistrates court, which we anticipate county governments will manage within existing resources.

Local Revenue

The following section will affect local revenues as follows:

Section 7. This section authorizes the board to promulgate regulations relating to vehicle traffic within the grounds of the school. These regulations include, but are not limited to, parking of vehicles and reduced vehicle speeds and to provide penalties for violations of the regulations not to exceed a fine of \$100. Violations are triable in magistrates court.

Since this section creates a new offense for which there is no historical data, the revenue impact on county governments is undetermined. Existing law provides for the retention of part or all of the revenue generated from fines, assessments, and surcharges by the local jurisdiction processing the case.

Updated for Additional Agency Response on October 15, 2019

Introduced on April 10, 2019

State Expenditure

The following sections will affect state expenditures as follows:

Section 1. This section requires all members of the board of trustees to successfully complete a training program on the powers, duties, and responsibilities of a board member. The training must include, but is not limited to, topics on policy development, personnel, school leadership and board relations, at-risk programs, finance, school law, ethics, and community relations, as determined by the board of trustees. Training on how to serve at-risk students must also be included. All members elected to the board of trustees after July 1, 2018, must complete the training within one year of taking office.

John De La Howe School. The agency indicates that it plans to use training that is currently offered to new board members through SDE. Also, if requested, the agency will reimburse members for mileage and per diem. Per diem is reimbursed at a rate of \$35, and mileage is reimbursed at a rate of 58 cents per mile. Board meetings must be held quarterly, or more often as needed. Additionally, the agency plans to develop manuals or will consult to have manuals created for board members. Therefore, the expenditure impact of this section on the agency is undetermined and will depend upon any reimbursements for mileage and per diem and any expenses associated with training manuals. We anticipate that any expenses associated with this

section will be realized in FY 2020-21 since the agency plans to open the rebranded school in August 2020. This section has been updated to include a response from the agency.

Section 2. This section allows the use of part-time or full-time faculty members for the agricultural and natural resources instructional program. As an alternative to traditional certification, these faculty members must hold advanced degrees or extensive professional experience in the agricultural and natural resources industry. Also, these faculty members must participate in annual professional development programs that are approved by the superintendent and the board of trustees. Additionally, the board of trustees must adopt policies and regulations governing the development of the agricultural and natural resources instructional program. This section further requires the academic program to be comprised of faculty that hold one or more degrees in the specific subject to be taught and must have achieved traditional state certification in the area of instruction.

John De La Howe School. The agency indicates that it will utilize 7 full-time academic teachers, 3 full-time agricultural and natural resources teachers, and possibly 1 full-time media specialist. However, the agency indicates that there will be no change in the number of appropriated FTE's. Therefore, since the agency's current budget has appropriations for the FTE's and salary and fringe amounts, this section of the bill is not expected to have an expenditure impact on the agency. This section has been updated to include a response from the agency.

Section 3. This section requires the board to establish the standard course of study for the school. The course of study must include instruction in the areas that constitute the usual high school curriculum and must provide in-depth instruction in agriculture, natural resources, and biotechnology.

John De La Howe School. The expenditure impact of this section is pending, contingent upon a response from the John De La Howe School.

Section 4. This section allows students that earn the required number of credits as specified in the Defined Minimum Program and that meet the school's requirements for graduation to receive a state high school diploma. Additionally, the board, in its discretion, may issue its own high school diploma for students that exceed the state requirements for a high school diploma.

John De La Howe School. The agency indicates that this section of the bill could increase expenses by \$100 per qualified graduate for the issuance of the agency's own high school diploma. We have reached out to the agency to gather more information on this expense and will update this impact statement once we receive a response. However, since the number of qualified graduates in a given year is unknown at this time, the expenditure impact of this section is undetermined. This section has been updated to include a response from the agency.

Section 5. This section requires the school to admit students in accordance with the admission criteria, standards, and procedures as established and approved by the board.

John De La Howe School. The expenditure impact of this section is pending, contingent upon a response from the John De La Howe School.

Section 6. This section requires the board to establish a foundation and maintain an endowment fund for the school.

John De La Howe School. The agency indicates that while the foundation and endowment fund are in progress, both will be established as legal entities with non-profit status. Since the foundation and endowment fund will be organized as a non-profit, we do not anticipate that this section will impact expenses of the agency. However, we will update this section of the impact statement if more information becomes available. This section has been updated to include a response from the agency.

Section 7. This section allows the board of trustees to employ campus police to control the buildings and grounds of the school. The campus police must work under the supervision of SLED and may not enter into such employment unless and until they have been appointed Governor's constables with general authority as peace officers.

This section also authorizes the board to promulgate regulations relating to vehicle traffic within the grounds of the school. These regulations include, but are not limited to, parking of vehicles and reduced vehicle speeds and to provide penalties for violations of the regulations not to exceed a fine of \$100. Violations are triable in magistrates court. Additionally, the board may charge parking fees, issue parking passes, and erect gates and guard houses to control entry to the campus.

South Carolina Law Enforcement Division. SLED indicates that any enforcement of this section of the bill will be handled by the agency's existing personnel and will not result in additional expenditures. Therefore, this section of the bill will have no expenditure impact on SLED.

John De La Howe School. The agency indicates that it plans to hire 8 new campus police officers. Salary and fringe for the officers are expected to total \$416,000. We anticipate that this General Fund expense will occur in FY 2020-21 since the agency expects to open the rebranded school in August 2020. Additionally, the agency expects to utilize an existing police vehicle and existing golf carts for the campus police. We have reached out to the agency to determine if there will be any additional expenses associated with equipment for the officers. We will update this impact statement once we receive a response.

Also, work has begun on a guard house and gate. The expenses are expected to total \$200,000, but are being paid for out of carryforward funds. Therefore, the agency will incur no additional expenses for the guard house and gate. This section has been updated to include a response from the agency.

Section 8. This section establishes the Governor's School for Agriculture at John de la Howe to provide training for students that have a career aptitude in agriculture, agribusiness, natural resources, and biotechnology. The residential and day school programs must provide intensive

instruction in agriculture that a student may complete to satisfy the requirements for a high school diploma and be prepared for college-level study. The school will also serve as a research and resource center for students and conduct adult education programs for teachers, farmers, and persons involved in the agricultural and natural resources industries.

John De La Howe School. The agency indicates that while this section establishes the school as the Governor's School for Agriculture at John de la Howe, the agency will continue to operate with its own budget. Please see individual sections of this impact statement for the revenue and expenditure impacts of the bill. This section has been updated to include a response from the agency.

Section 9. This section requires the ex officio members of the board to be comprised of the Dean of the College of Agriculture at Clemson University or his designee, the Dean of the College of Education at Clemson University or his designee, the Dean of the School of Business at South Carolina State University or his designee, the Chair of the Department of Accounting, Agribusiness, and Economics at South Carolina State University or his designee, the State Superintendent of Education or his designee, the Chair of the Agriculture Program at Piedmont Technical College, and the President of Piedmont Technical College.

We anticipate that any expenses associated with serving on the board can be managed within each agency's current appropriations. Therefore, we do not expect that this section of the bill will have an expenditure impact on Clemson University, South Carolina State University, SDE, or Piedmont Technical College.

State Revenue

The following sections will affect state revenues as follows. Additionally, any revenue collected from Sections 7, 15, and 16 will be Other Funds of John De La Howe and will be realized in FY 2020-21 since the agency expects to open the rebranded school in August 2020.

Section 7. This section allows the board to charge parking fees and to issue parking passes.

John De La Howe School. While the agency indicates actual parking fees have not been finalized, there has been discussion about potential rates for annual parking passes. The agency has indicated that annual parking passes could range from \$150 to \$225 annually, per pass. Since fees have not yet been established, the revenue impact of this section is undetermined. This section has been updated to include a response from the agency.

Section 15. This section requires that all income the school receives from the sale of timber or farm products and from programs and events held on campus to be used for the construction, erection, and building of permanent improvements at the school and for the equipping of these improvements.

John De La Howe School. The agency indicates that it is in the process of establishing fees for programs held on the campus. Since program fees, the number of programs to be held on the school campus, and revenue from the sale of timber and farm products are unknown, the revenue

impact of this section is undetermined. This section has been updated to include a response from the agency.

Section 16. This section allows students that are legal residents to attend the school without paying tuition. However, these students must pay fees for maintenance and food services unless they meet the poverty requirements as defined in the will of John de la Howe and by current rules and regulations of SDE. All out-of-state and international exchange students must pay tuition and fees for maintenance and food services as determined by the board.

John De La Howe School. The agency indicates that the rebranded school can accommodate 300 residential students and 50 day students. The maintenance and food service fees for all students and the tuition rates for out-of-state and international exchange students have not been established. Therefore, the revenue impact of this section is undetermined. This section has been updated to include a response from the agency.

Local Expenditure

The following section will affect local expenditures as follows:

Section 7. This section authorizes the board to promulgate regulations relating to vehicle traffic within the grounds of the school. These regulations include, but are not limited to, parking of vehicles and reduced vehicle speeds and to provide penalties for violations of the regulations not to exceed a fine of \$100. Violations are triable in magistrates court.

The offenses created by this section may result in additional hearings and trials in magistrate court, which we anticipate county governments will manage within existing resources.

Local Revenue

The following section will affect local revenues as follows:

Section 7. This section authorizes the board to promulgate regulations relating to vehicle traffic within the grounds of the school. These regulations include, but are not limited to, parking of vehicles and reduced vehicle speeds and to provide penalties for violations of the regulations not to exceed a fine of \$100. Violations are triable in magistrates court.

Since this section creates a new offense for which there is no historical data, the revenue impact on county governments is undetermined. Existing law provides for the retention of part or all of the revenue generated from fines, assessments, and surcharges by the local jurisdiction processing the case.

Introduced on April 10, 2019

State Expenditure

The following sections will affect state expenditures as follows:

Section 1. This section requires all members of the board of trustees to successfully complete a training program on the powers, duties, and responsibilities of a board member. The training must include, but is not limited to, topics on policy development, personnel, school leadership

and board relations, at-risk programs, finance, school law, ethics, and community relations, as determined by the board of trustees. Training on how to serve at-risk students must also be included. All members elected to the board of trustees after July 1, 2018, must complete the training within one year of taking office.

John De La Howe School. The expenditure impact of this section is pending, contingent upon a response from the John De La Howe School.

Section 2. This section allows the use of part-time or full-time faculty members for the agricultural and natural resources instructional program. As an alternative to traditional certification, these faculty members must hold advanced degrees or extensive professional experience in the agricultural and natural resources industry. Also, these faculty members must participate in annual professional development programs that are approved by the superintendent and the board of trustees. Additionally, the board of trustees must adopt policies and regulations governing the development of the agricultural and natural resources instructional program. This section further requires the academic program to be comprised of faculty that hold one or more degrees in the specific subject to be taught and must have achieved traditional state certification in the area of instruction.

John De La Howe School. The expenditure impact of this section is pending, contingent upon a response from the John De La Howe School.

Section 3. This section requires the board to establish the standard course of study for the school. The course of study must include instruction in the areas that constitute the usual high school curriculum and must provide in-depth instruction in agriculture, natural resources, and biotechnology.

John De La Howe School. The expenditure impact of this section is pending, contingent upon a response from the John De La Howe School.

Section 4. This section allows students that earn the required number of credits as specified in the Defined Minimum Program and that meet the school's requirements for graduation to receive a state high school diploma. Additionally, the board, in its discretion, may issue its own high school diploma for students that exceed the state requirements for a high school diploma.

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Section 5. This section requires the school to admit students in accordance with the admission criteria, standards, and procedures as established and approved by the board.

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Section 6. This section requires the board to establish a foundation and maintain an endowment fund for the school.

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Section 7. This section allows the board of trustees to employ campus police to control the buildings and grounds of the school. The campus police must work under the supervision of the South Carolina Law Enforcement Division (SLED) and may not enter into such employment unless and until they have been appointed Governor's constables with general authority as peace officers.

This section also authorizes the board to promulgate regulations relating to vehicle traffic within the grounds of the school. These regulations include, but are not limited to, parking of vehicles and reduced vehicle speeds and to provide penalties for violations of the regulations not to exceed a fine of \$100. Violations are triable in magistrates court. Additionally, the board may charge parking fees, issue parking passes, and erect gates and guard houses to control entry to the campus.

John De La Howe School. The expenditure impact of this section is pending, contingent upon a response from the John De La Howe School.

South Carolina Law Enforcement Division. SLED indicates that any enforcement of this section of the bill will be handled by the agency's existing personnel and will not result in additional expenditures. Therefore, this section of the bill will have no expenditure impact on SLED.

Section 8. This section establishes the Governor's School for Agriculture at John de la Howe to provide training for students that have a career aptitude in agriculture, agribusiness, natural resources, and biotechnology. The residential and day school programs must provide intensive instruction in agriculture that a student may complete to satisfy the requirements for a high school diploma and be prepared for college-level study. The school will also serve as a research and resource center for students and conduct adult education programs for teachers, farmers, and persons involved in the agricultural and natural resources industries.

John De La Howe School. The expenditure impact of this section is pending, contingent upon a response from the John De La Howe School.

Section 9. This section requires the ex officio members of the board to be comprised of the Dean of the College of Agriculture at Clemson University or his designee, the Dean of the College of Education at Clemson University or his designee, the Dean of the School of Business at South Carolina State University or his designee, the Chair of the Department of Accounting, Agribusiness, and Economics at South Carolina State University or his designee, the State Superintendent of Education or his designee, the Chair of the Agriculture Program at Piedmont Technical College, and the President of Piedmont Technical College.

We anticipate that any expenses associated with serving on the board can be managed within each agency's current appropriations. Therefore, we do not expect that this section of the bill

will have an expenditure impact on Clemson University, South Carolina State University, the State Department of Education (SDE), or Piedmont Technical College.

State Revenue

The following sections will affect state revenues as follows:

Section 15. This section requires that all income the school receives from the sale of timber or farm products and from programs and events held on campus to be used for the construction, erection, and building of permanent improvements at the school and for the equipping of these improvements.

John De La Howe School. The revenue impact of this section is pending, contingent upon a response from the agency.

Section 16. This section allows students that are legal residents to attend the school without paying tuition. However, these students must pay fees for maintenance and food services unless they meet the poverty requirements as defined in the will of John de la Howe and by current rules and regulations of SDE. All out-of-state and international exchange students must pay tuition and fees for maintenance and food services as determined by the board.

John De La Howe School. The revenue impact of this section is pending, contingent upon a response from the agency.

Local Expenditure

The following section will affect local expenditures as follows:

Section 7. This section authorizes the board to promulgate regulations relating to vehicle traffic within the grounds of the school. These regulations include, but are not limited to, parking of vehicles and reduced vehicle speeds and to provide penalties for violations of the regulations not to exceed a fine of \$100. Violations are triable in magistrates court.

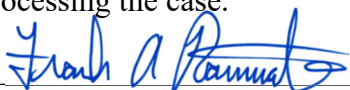
The offenses created by this section may result in additional hearings and trials in magistrate court, which we anticipate county governments will manage within existing resources.

Local Revenue

The following section will affect local revenues as follows:

Section 7. This section authorizes the board to promulgate regulations relating to vehicle traffic within the grounds of the school. These regulations include, but are not limited to, parking of vehicles and reduced vehicle speeds and to provide penalties for violations of the regulations not to exceed a fine of \$100. Violations are triable in magistrates court.

Since this section creates a new offense for which there is no historical data, the revenue impact on county governments is undetermined. Existing law provides for the retention of part or all of the revenue generated from fines, assessments, and surcharges by the local jurisdiction processing the case.



Frank A. Rainwater, Executive Director