

FISCAL NOTE

Requested by Legislative Council
04/30/2001

Bill/Resolution No.:

Amendment to: Reengrossed
 HB 1344

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$509,049,148	\$0	\$509,049,148	\$0
Appropriations	\$0	\$0	\$23,506,305	\$0	\$509,049,148	\$0

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$509,049,148	\$0	\$0	\$509,049,148

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

2. This bill sets the per student payment amount for foundation aid at \$2,287 the first year and \$2,347 the second year of the 2001-2003 biennium and adds new sections to chapter 15.1-27 relating to the reimbursement of school districts for increases in teacher compensation and requires a school district employee compensation report. The bill also provides for an appropriation of \$41,500 for grants for assisting teachers obtain national teacher certification.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

3. B Expenditures under this bill are projected at \$509,049,148, \$473,771,648 for foundation aid, \$35,036,000 for teacher salary reimbursement, \$200,000 for a teacher compensation report and \$41,500 for grants to assist teachers obtain national teacher certification.

Foundation aid projections:	2000-01	2001-02	2002-03
1. Per student payments	\$2,230	\$2,287	\$2,347
2. Taxable valuation increase			3.6%
3. Mill deduct	0.032	0.032	0.032
4. Weighting factor percent of five year average	75%	75%	75%
5. Percentage of appropriation paid each year		50.00%	50.00%
6. Foundation aid funding required =	\$473,771,648		

Teacher compensation projection:

1. There were 8,884 FTE meeting the definition of "teacher" at January 15, 2001.

2001-02 8,884 x \$1,000 = \$ 8,884,000

2002-03 8,884 x \$3,000 = 26,652,000

Adjust for first year teachers (500,000)

Total \$35,036,000

	Foundation aid	FTE	Other	Total
Schafer Executive Budget	485,542,843	0	0	485,542,843
HB1344	473,771,648	35,036,000	241,500	509,049,148

NOTE: HB 1013 added \$200,000 to foundation aid for Limited English Proficient students that is not reflected here.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

3. C This results in a total increase to the Schafer executive budget of \$23,506,305 (decrease foundation aid \$11,771,195, create a new line item for teacher salary reimbursement of \$35,036,000, and add \$241,500 for the compensation report and teacher certification grants).

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Prepared: