

FISCAL NOTE

Requested by Legislative Council

01/12/2005

Bill/Resolution No.: HB 1316

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.*

| | 2003-2005 Biennium | | 2005-2007 Biennium | | 2007-2009 Biennium | |
|----------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|
| | General Fund | Other Funds | General Fund | Other Funds | General Fund | Other Funds |
| Revenues | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Expenditures | \$0 | \$0 | \$1,471,251 | \$0 | \$1,488,610 | \$0 |
| Appropriations | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

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

| 2003-2005 Biennium | | | 2005-2007 Biennium | | | 2007-2009 Biennium | | |
|--------------------|--------|------------------|--------------------|--------|------------------|--------------------|--------|------------------|
| Counties | Cities | School Districts | Counties | Cities | School Districts | Counties | Cities | School Districts |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

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

The measure calls for a change in the reimbursement to school districts for first year teacher compensation increases claimed. Currently, districts are reimbursed at a rate of \$1,000 per FTE for first year teachers. The measure would increase that amount to \$3,000 per first year teacher FTE. We project that during the 2005-07 biennium this will impact 714.6254 FTE and the general fund expenditure will be \$1,429,251. For the 2007-09 biennium the measure will impact 723.3049 FTE and the general fund expenditure will be \$1,446,610. NDDPI has included an additional \$42,000 to the 2005-07 biennium expenditure requirement and \$42,000 for the 2007-2009 biennium expenditure requirement to hire a temporary employee to manage these disbursements and other general funds allocated for teacher compensation reimbursement to school districts for the 2005-07 biennium and 2007-09 biennium.

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.*

There will be no revenues produced by this measure.

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.*

We project that during the 2005-07 biennium this will impact 714.6254 FTE and the general fund expenditure will be \$1,429,251. For the 2007-09 biennium the measure will impact 723.3049 FTE and the general fund expenditure will be \$1,446,610. NDDPI has included an additional \$42,000 to the 2005-07 biennium expenditure requirement and \$42,000 for the 2007-2009 biennium expenditure requirement to hire a temporary employee to manage these disbursements and other general funds allocated for teacher compensation reimbursement to school districts for the 2005-07 biennium and 2007-09 biennium.

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.*

There is no appropriation available for these expenditures or the management of teacher compensation reimbursements to school districts and these general funds would require additional appropriations to the agency budget.

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Agency: Public Instruction
Date Prepared: 01/14/2005