

FISCAL NOTE
Requested by Legislative Council
01/19/2015

Bill/Resolution No.: HB 1452

- 1 A. **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.*

	2013-2015 Biennium		2015-2017 Biennium		2017-2019 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures	\$12,000,000		\$15,400,000		\$19,900,000	
Appropriations	\$10,000,000		\$15,400,000		\$19,900,000	

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

	2013-2015 Biennium	2015-2017 Biennium	2017-2019 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Beginning with 2016-17 high school graduates, replaces current state AC/CTE scholarship with new Promise grant, which is equivalent to 65% (in 2016-17) and increasing to 100% in (2023-24) of tuition, after deducting other eligible aid.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Sections 1-3: Beginning with 17-19, new high school graduates would qualify for the new Promise Grant equivalent to 65% to 70% tuition, reduced by other eligible aid instead of current \$1,500/yr AC/CTE scholarship grant. However, AC/CTE Scholarship would continue for student graduating high school prior to 2016-17 until phased out.

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.*

None

- 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.*

Promise Grant: Provide grant equivalent to (65% in 2016-17 and 70% in 2017-18) of tuition, after deducting other eligible aid for approximately 1,500 students, the same number of students under the current AC/CTE scholarship.
 15-17: \$0; 17-19=\$9.6 M

AC/CTE Scholarship: \$1,500/yr grant (\$6,000 total) to approximately 1,500 new students per year for students graduating before 2016-17. 13-15=\$12 M; 15-17+\$15.4 M; 17-19=\$10.3 M

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

Promise Grant: Provide grant equivalent to (65% in 2016-17 and 70% in 2017-18) of tuition, after deducting other eligible aid for approximately 1,500 students, the same number of students under the current AC/CTE scholarship.
15-17: \$0; 17-19=\$9.6 M

AC/CTE Scholarship: \$1,500/yr grant (\$6,000 total) to approximately 1,500 new students per year for students graduating before 2016-17. 13-15=\$12 M; 15-17+\$15.4 M; 17-19=\$10.3 M
For 13-15: \$10 M appropriation + \$4.1 M carryover from 11-13 less \$12 M est. expenditures = \$2.1 M estimated carryover to 15-17.

HB1003 (2015) as introduced includes \$17,171,000 for the AC/CTE scholarship for the 15-17 biennium.

Name: Laua Glatt

Agency: ND University System Office

Telephone: 7013284116

Date Prepared: 01/26/2015