

FISCAL NOTE
Requested by Legislative Council
03/29/2017

Amendment to: SB 2037

- 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.*

	2015-2017 Biennium		2017-2019 Biennium		2019-2021 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			\$0			
Expenditures			\$0			
Appropriations			\$0			

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

	2015-2017 Biennium	2017-2019 Biennium	2019-2021 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).*

SB2037 aligns teacher shortage loan forgiveness (TSLF) awards with the science, technology, engineering and math occupations (STEM) loan forgiveness program and clarifies statutory language related to the TSLF.

- 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.*

Section 1, subsection 3 decreases annual STEM loan forgiveness awards from \$1,500 to \$1,000, and lifetime awards from \$6,000 to \$5,000. The changes align awards under both the TSLF and STEM loan forgiveness programs. The fiscal impact of these changes is explained below.

Section 2, subsection 3 clarifies that eligible applicants must hold qualifying licenses, endorsements or credentials, have an existing student loan, and be licensed to teach in the state. No fiscal impact is anticipated from these changes.

Section 1, subsection 6 allows for employer certification of full-time employment in the current application year. The annual application period begins in April, which precedes the end of the school year. No fiscal impact is anticipated from this change.

Section 1, subsection 7 delineates that an individual may not receive a TSLF and STEM award in the same year. For FY16, 17 applicants received both TSLF and STEM awards. No fiscal impact is anticipated from the proposed changes. Dollars would be re-allocated to other eligible applicants currently not receiving awards due to lack of available funding.

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.*

At this time, approximately 75% of eligible applicants receive loan forgiveness awards due to lack of available funding.

FY16 STEM award payments totaled \$1.1 million (721 X \$1,500). If the award amount had been \$1,000, the total cost would have been \$721,000. The remaining dollars would have been distributed to the other qualified STEM and TSLF applicants that were not awarded due to lack of available funding.

- 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.*

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