

FISCAL NOTE
Requested by Legislative Council
04/19/2017

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 as amended restructures the Teacher Shortage Loan Forgiveness Program (TSLF) and includes additional requirements for the Science, Technology, Engineering and Math Occupations Loan Forgiveness Program (STEM).

- 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 directs STEM loan forgiveness awards to qualified applicants being paid \$60,000 or less annually and delineates that an individual may not receive a TSLF and STEM award in the same year.

Section 2 eliminates the existing TSLF program and replaces it with a new program targeted at the State's most critical teacher shortage areas. Under the new program, the Superintendent of Public Instruction will identify the grade level, content areas and geographical locations in which a teacher shortage or critical need exists. Eligible applicants must have a contract to teach in a qualifying grade level, content area and geographical location, as well as have an existing student loan. No more than two teachers in each school district can receive loan forgiveness per year.

Section 2, subsection 6 delineates the award levels for each category of loan forgiveness. Individuals in identified critical need positions in non-rural or non-remote town school districts may receive \$3,000 per year for four years. Individuals in rural or remote town school districts may receive up to \$4,500 per year for four years. Individuals in identified critical need positions in rural or remote town school districts may receive up to \$6,500 per year for four years.

Section 3 clarifies that of the \$2,863,393 education incentive program appropriation in SB2003, \$260,000 is provided for doctorate graduate programs, \$500,000 is for the STEM loan forgiveness program, and \$2,103,393 is dedicated to the teacher shortage loan forgiveness program. The section also limits spending to one-half of the appropriation in each year of the biennium.

Section 4 requires the Superintendent of Public Instruction to provide annual reports to legislative management regarding the teacher shortage loan forgiveness program.

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.*

The changes in SB2037 reallocate the existing \$2,863,393 appropriation, but do not increase the biennial cost of the two loan forgiveness programs. As a result, there is no fiscal impact for this bill.

- 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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