

FISCAL NOTE
Requested by Legislative Council
01/14/2019

Revised
 Bill/Resolution No.: SB 2265

- 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.*

| | 2017-2019 Biennium | | 2019-2021 Biennium | | 2021-2023 Biennium | |
|-----------------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|
| | General Fund | Other Funds | General Fund | Other Funds | General Fund | Other Funds |
| Revenues | | | | | | |
| Expenditures | | | \$90,861,970 | \$3,000,000 | | |
| Appropriations | | | | | | |

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

| | 2017-2019 Biennium | 2019-2021 Biennium | 2021-2023 Biennium |
|-------------------------|--------------------|--------------------|--------------------|
| Counties | | | |
| Cities | | | |
| School Districts | | \$93,861,970 | |
| 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).*

SB 2265 establishes the policy for implementing the K-12 funding formula and establishes an appropriation for rapid enrollment grants.

SB 2013 appropriates the funding in the integrated formula payment line item.

- 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 adds \$93,861,970 to the integrated formula payments.

See attachment for explanation of the increases

Formula per student payment rates

Year 1 \$9,839

Year 2 \$10,036

School districts on the transition maximum receive a 5% increase each year of the biennium.

Year 2 of the biennium districts move to on time funding and transition minimum payments are decreased 5 percent.

Section 2 appropriates \$3,000,000 for rapid enrollment grants from the foundation aid stabilization fund.

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.*

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.*

Funding for the K-12 formula is in the integrated formula payments line item in the NDDPI appropriation bill (SB 2013) Amounts to be funded from general and special funds have yet to be determined. The amounts identified in other funds are reported at the base level funding amount plus the \$3,000,000 addressed in section 2 of SB 2265.

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House - Original

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|---|----------------------|
| 2017-19 Base Level - Integrated Formula Payments | 1,935,204,163 |
| Cost to Continue* | 53,625,374 |
| Add Rate Changes | 66,310,261 |
| Adjust Transition Minimum | (10,343,140) |
| 2020-21 On Time Funding | 34,894,849 |
| Total Expenditures | <u>2,079,691,507</u> |
| Increase over 2015-17 Base Level Funding | 144,487,344 |
| Rapid Enrollment Grants | 3,000,000 |
| Total Expenses | 2,082,691,507 |
| Formula per student rates | |
| Year 1 | \$9,839 |
| Year 2 | \$10,036 |
| *Includes student projections and taxable valuation changes | |