

FISCAL NOTE
Requested by Legislative Council
04/24/2019

Amendment to: Engrossed HB 1429

- 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 | | | \$0 | | | |
| Expenditures | | | \$2,710,000 | | \$1,355,000 | |
| Appropriations | | | \$0 | | \$0 | |

- 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 | | | |
| 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).*

HB 1429 will enact the administration of the teacher loan forgiveness program from NDUS to the NDDPI.

- 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.*

\$2,103,393 is dedicated to the teacher shortage loan forgiveness program. HB 1429 does not include an appropriation, however, the Executive Budget recommends \$2,103,293 for the Department of Public Instruction.

Funds for the current cohort (270 teachers) will be expended before July 1, 2019, in the amount of \$1,355,000 (FY 20). After funds are disbursed the carry over for the 2019-2020 year will approximately be \$750,000.

Carryover is earmarked to pay the current cohort (270 teachers) in FY 20 for year two of the 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.*

Carryover and the \$2,103,393 in the Executive Budget is required to fund year two (FY 20) and year three (FY 21) for the current cohort of 270 teachers. No dollars are available for additional teacher awards under this program.

- 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.*

The Executive Budget recommends \$2,103,393 to the Department of Public Instruction to fund the current cohort of Teacher Shortage Loan Forgiveness in FY 20/21.

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Date Prepared: 03/21/2019

| TSLF Program Cost - Cohort 1 (270 teachers) | | | | |
|---|------------|-------------------------|--------------------|--------------------|
| Area | # Funded | Critical Need Area Rate | Shortage Area Rate | Annual Cost |
| Science | 39 | \$6,500 | | \$253,500 |
| Business & Office Technology | 15 | \$6,500 | | \$97,500 |
| Agriculture Education | 12 | \$6,500 | | \$78,000 |
| Technology & Engineering Education | 3 | \$6,500 | | \$19,500 |
| Computer Science | 1 | \$6,500 | | \$6,500 |
| Elementary Grades (PK-8) | 116 | | \$4,500 | \$522,000 |
| Guidance Counselor PK-12 | 15 | | \$4,500 | \$67,500 |
| Special Education | 19 | | \$4,500 | \$85,500 |
| English Language Arts | 15 | | \$4,500 | \$67,500 |
| Social Studies | 14 | | \$4,500 | \$63,000 |
| Family & Consumer Sciences | 6 | | \$4,500 | \$27,000 |
| Mathematics | 15 | | \$4,500 | \$67,500 |
| TOTAL | 270 | | | \$1,355,000 |

| TSLF Budget - based on current 270 | |
|-------------------------------------|---------------------|
| 2017-19 Appropriation | \$2,103,393 |
| <i>FY 19 Expenses (YR1)</i> | <i>-\$1,355,000</i> |
| Carry-over | \$748,393 |
| 2019-21 Appropriation (Exec Budget) | \$2,103,393 |
| Total GF + Carry-over | \$2,851,786 |
| <i>FY 20 Expenses (YR2)</i> | <i>-\$1,355,000</i> |
| <i>FY 21 Expenses (YR3)</i> | <i>-\$1,355,000</i> |
| Carry-over | \$141,786 |
| 2021-23 Appropriation | \$2,103,393 |
| Total GF + Carry-over | \$2,245,179 |
| <i>FY 22 Expenses (YR4)</i> | <i>-\$1,355,000</i> |
| Balance | \$890,179 |