

(Return in triplicate)

FISCAL NOTE

Bill/Resolution No.: Senate Bill No. 2904 Amendment to: \_\_\_\_\_

Requested by: Legislative Council Date of Receipt: 12/2/86

Please estimate the fiscal impact of the above measure for:

State general or special funds       Counties       Cities

In the following space note the fiscal effect in dollars of this measure:

Narrative:

When the Governor instituted the 4% allotment in March 1986, the Department of Public Instruction reduced the Foundation Aid program by \$14,796,004. This reduction was made up of an estimated \$4 million savings due to a lower number of weighted units than had been estimated for the appropriation, and a direct \$10.8 million reduction in the second year foundation payment. It was estimated by the Department of Public Instruction that this would reduce the second year per pupil payment to \$1,370. The fiscal impact of Section 4 of Senate Bill No. 2904, which reduces the second year pupil payment from \$1,455 to \$1,370, is included in the \$5,445,000 reduction identified in Section 1 of this bill. This additional savings of \$5.1 million is a result of lower than anticipated weighted units. Section 4 of this bill would prevent the Department from using this savings by increasing the second year pupil payment above the \$1,370 anticipated under the 4% allotment.

State Fiscal Effect:

		<u>1986-87</u>		<u>1985-87</u> Biennium Total	
		<u>Special</u>	<u>General</u>	<u>Special</u>	<u>General</u>
		<u>Funds</u>	<u>Fund</u>	<u>Funds</u>	<u>Fund</u>
		<u>1987-88</u>		<u>1987-89</u> Biennium Total	
		<u>Special</u>	<u>General</u>	<u>Special</u>	<u>General</u>
		<u>Funds</u>	<u>Fund</u>	<u>Funds</u>	<u>Fund</u>

County and City Fiscal Effect:

<u>1985-86</u>		<u>1986-87</u>		<u>Biennium Total</u>	
<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>

If additional space is needed, attach a supplemental sheet.

Signed Paula Dodds

Typed Name Paula Dodds

Date Prepared: 12/3/86

Department OMB