

FISCAL NOTE
Requested by Legislative Council
02/22/2013

Amendment to: HB 1466

- 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.*

	2011-2013 Biennium		2013-2015 Biennium		2015-2017 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$32,600,000			
Appropriations						

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

	2011-2013 Biennium	2013-2015 Biennium	2015-2017 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 1466 relates to contracts for the provision of educational services by nonpublic schools.

- 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.*

The fiscal impact of this bills relates to the allowance of the school district of residence to contract with nonpublic schools for the provision of education. The amount paid by the school district may not exceed twenty-five percent of the public school's total cost to educate. The amount of the contract will be reimbursed by the Department of Public Instruction. For the purposes of this note, the current K-12 nonpublic enrollment is 6220 and the average cost of education in North Dakota is estimated at \$10,500 per student. This translates to roughly \$16,300,000 annually or \$32,600,000 for a biennium. This cost will vary with enrollment changes as well as the average cost to educate. While the amendment on page 1, line 14 changing the verbage from "shall" to "may" has the potential of reducing the amount of this fiscal note, there is currently not enough guidance on the "contracting" process to determine a correct figure. Therefore, for the purposes of this note, it will remain the maximum amount that would be projected.

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.*

This bill would also result in additional administrative costs related to DPI staff time allocated to contracts and reporting requirements of the bill. These costs are currently undetermined and are not included in this fiscal note.

- 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 is also included in the executive budget or relates to a continuing appropriation.*

There is no current appropriation identified for this bill.

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