

**FISCAL NOTE**  
**SENATE BILL NO. 2066**  
**LC# 23.0073.03000**  
**12/30/2022**

**1 - 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.

	2021-2023 Biennium		2023-2025 Biennium		2025-2027 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$327,487,144			
Appropriations						

**2 - County, City, School District, and Township Fiscal Effect**

Identify the fiscal effect on the appropriate political subdivision.

	2021-2023 Biennium	2023-2025 Biennium	2025-2027 Biennium
Counties			
Cities			
School Districts			
Townships			

**3 - 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 2066 changes contribution from property tax in the Foundation Aid Formula from 60 mills to 30 mills. This bill uses the 2022 taxable valuation for the 2023-24 payment year and then uses a 5% increase for general fund levy and property tax contributions going forward.

**4 - Fiscal Impact Sections Detail**

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 shifts local contributions in the Integrated Formula payment to state funding. The decrease in the contribution from property taxes would lead to an additional \$327.5 million in the state funding to the districts. Section 6 would decrease the school districts levy authority in the general fund, mirroring the formula calculation.

**5 - Revenues Detail**

For information shown under state fiscal effect in 1 or 2, please explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.

This is a shift in funding sources with no additional revenues going to the school districts.

## **6 - Expenditures Detail**

*For information shown under state fiscal effect in 1 or 2, please explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The Integrated Formula Payment establishes a base level of funding for school districts. Section 1 of this bill will decrease the local share of the formula and increase the state share by \$327.5 million. This cost would continue into the 2023-25 biennium but are unable to be estimated at this time.

## **7 - Appropriations Detail**

*For information shown under state fiscal effect in 1 or 2, please 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.*

There is no appropriation in this bill. The appropriation for the Integrated Formula Payment is in SB 2013 and would need to be adjusted accordingly.

## **Contact Information**

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