

FISCAL NOTE

Requested by Legislative Council
01/02/2003

Bill/Resolution No.: HB 1182

1A. **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.*

	2001-2003 Biennium		2003-2005 Biennium		2005-2007 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues		\$0	\$0	\$0	\$0	\$0
Expenditures		\$0	\$0	\$0	\$0	\$0
Appropriations		\$0	\$0	\$0	\$0	\$0

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

2001-2003 Biennium			2003-2005 Biennium			2005-2007 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

HB 1182 amends NDCC 15.1-23-05, 15.1-23-06, 15.1-23-08, 15.1-23-09, 15.1-23-10, 15.1-23-11, and 15.1-23-12 regarding the administration of the state assessment to students attending home schools. HB 1182 requires all home education students to be assessed according to the provisions of NDCC 15.1-21-08. The fiscal impact from HB 1182 on the state is accounted for within the Department of Public Instruction's operational budget. The DPI operational budget includes all funding required to assume the cost of assessing all students attending home schools within the state. There is no further fiscal impact imposed on the state.

HB 1182 restates the current practice where school districts are responsible for the administration of the student assessments and the monitoring of instruction for home education students. HB 1182 places no additional requirements on school districts; therefore, there are no additional costs that impact local schools.

HB 1182 places no fiscal impact on the state or local school districts.

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.*

The Department of Public Instruction has included within its 2003-05 operational budget all general funds required to administer the state assessment program. The department has proposed a maintenance budget of \$1.2 million for the 2003-05 biennium. There are no proposed increases in general funds for the state assessment program above the 2001-03 biennium. The state must maintain its appropriation of \$1.2 million in general funds during the 2003-05 biennium in order to meet its maintenance-of-effort commitment with the U.S. Department of Education. This maintenance-of-effort commitment covers the costs of administering the state reading/English language arts, and mathematics assessments in Grades 4, 8, and 12. Any assessment of home education students would be accounted for within this budget line item.

The Department of Public Instruction has also included within its operational budget an authority request to cover \$6,935,000 in

allocated federal funds that are earmarked for the state assessment program. These federal funds, supported through Title VI of the *Elementary and Secondary Education Act*, cover any new development and implementation costs associated with the extension of the state's assessment program as proposed within SB 2065. Any expansion of the assessment of home education students would be accounted for in the event that SB 2065 becomes enacted.

There is no appropriation attached to this bill.

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.*

HB 1182 does not impose any additional expenditures to the state or local school districts. All expenditures are accounted for within the Department of Public Instruction's operational budget.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

As identified within the Revenue section above (3A), there is no appropriation for general funds attached to this bill.

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Agency: Public Instruction
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