

FISCAL NOTE

Requested by Legislative Council
02/06/2003

Amendment to: SB 2154

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	\$0
Expenditures	\$0	\$0	\$549,733,990	\$0	\$549,733,990	\$0
Appropriations	\$0	\$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	\$549,733,990	\$0	\$0	\$549,733,990
					0			0

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

NOTE:

This note has been prepared to reflect no change in funding from the executive budget. This will require the payment rate in Engr. SB 2154 to be amended to \$2,550 and \$2,674 (from \$2,497 and \$2,589 as currently written) to reflect the changes in the mill deduct contained in SB 2182, which has been passed by the Senate.

SUMMARY:

The bill sets the per student payment amount for foundation aid for the 2001-2003 biennium, changes the weighting factor adjustment percentages to 85% the first year and 100% the second year, and establishes the reimbursement rates for reimbursing districts for increasing teacher compensation.

SIGNIFICANT AMENDMENTS IN ENGR SB 2154:

- combines the high school weighting factor categories of 0-74 students and 75-149 students into one high school category 0-149 students.
- changes the formula for the supplemental equity payment and provides for an appropriation of \$5,000,000.
- increases the minimum salary for each full-time teacher under contract for a nine-month period to a base salary of \$20,500 the first year and \$21,500 the second year.
- provides for an appropriation of \$1,500,000 for the purpose of providing reorganization bonuses under 15.1-12-11.1.

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.*

Expenditures under this bill are projected at \$549,733,990, which includes state school aid, teacher compensation, revenue supplement, reorganization bonuses/joint powers incentive, and hold-harmless line items in the SB 2013 DPI appropriation bill.

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.*

PAYMENT FACTORS (for 2003-04/2004-05):

- Per student payments (to be amended): 2,550/2,674
- Projected weighted pupil units: 107,978/105,952
- Taxable valuation increase: 3.6% (2004-05)
- Mill deduct (SB 2182): 36/38
- Weighting factor adjustment percentage: 85%/100%
- Percentage of appropriation paid each year: 49.67%/50.33%
- Teachers licensed over 1 year (8,559 fte): 3,000/3,000
- First year licensed teachers (250 fte): 1,000/1,000

EXECUTIVE BUDGET/SENATE/CHANGES

Per Student and transportation: 478,056,990/490,879,990/12,823,000
Teacher compensation: 66,277,000/51,854,000/(14,423,000)
Revenue supplemental payments: 3,200,000/5,000,000/1,800,000
Reorganization bonuses/joint powers: 1,000,000/2,000,000/1,000,000
Hold harmless: 1,200,000/0/(1,200,000)
Total effected: 549,733,990/549,733,990/0

Name: Jerry Coleman
Phone Number: 328-4051

Agency: Public Instruction
Date Prepared: 02/11/2003