

**FISCAL NOTE**  
**Requested by Legislative Council**  
01/03/2003

Bill/Resolution No.: 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
<b>Revenues</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Expenditures</b>	\$0	\$0	\$547,140,706	\$0	\$547,140,706	\$0
<b>Appropriations</b>	\$0	\$0	\$2,806,716	\$0	\$547,140,706	\$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	\$547,140,706	\$0	\$0	\$547,140,706
					6			6

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

This bill sets the per student payment amount for foundation aid at \$2,430 the first year and \$2,528 the second year of the 2001-2003 biennium, changes the weighting factor adjustment percentages to 85 percent the first year and 100 percent the second year, and establishes the reimbursement rates for reimbursing districts for increasing teacher compensation.

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 \$547,140,706, \$478,918,706 for foundation aid and \$68,222,000 for teacher salary reimbursement.

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.*

Foundation aid factors:	2003-04	2004-05
-Per student payments	\$2,430	\$2,528

-Projected weighted pupil units	108,345	106,232
-Taxable valuation increase		3.6%
-Mill deduct	32	32
-Weighting factor adjustment percentage	85%	100%
-Percentage of appropriation paid each year	49.67%	50.33%

Teacher compensation projections:

2003-04 Teacher FTE estimates

-Teachers licensed over two years	8,309	x \$3,500 =	\$29,081,500
-Second year licensed teachers	250	x 3,000 =	750,000
-First year licensed teachers	250	x 1,000 =	250,000
	8,809		\$29,928,000

2004-05

-Teachers licensed over three years	8,059	x \$4,500 =	\$36,265,500
-Third year licensed teachers	250	x 3,500 =	875,000
-Second year licensed teachers	250	x 3,000 =	750,000
-First year licensed teachers	250	x 1,000 =	250,000
	8,809		\$38,140,500

Increase required to fund at factors in SB 2154

	Per Student/Transp	Teacher Comp	Total
Executive Budget	478,056,990	66,277,000	544,333,990
Projection SB 5154	<u>478,918,706</u>	<u>68,222,000</u>	<u>547,140,706</u>
Increase required	861,716	1,945,000	2,806,716

Projections are based on data available at January 2003.

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