

FISCAL NOTE
Requested by Legislative Council
02/06/2009

Amendment to: HB 1533

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.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$488,500,000	\$0	\$509,000,000	\$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.*

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill relates to voter approval for public building projects funded through a building authority or other indirect means, allocation of state funds to school districts for property reduction grants and property tax levies for school districts.

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 major fiscal impact of the bill is in the property tax reduction grants to school districts. The grants must be included in the district's certificate of levy and be used to reduce general fund levies for school districts. The property tax reductions apply to residential, agricultural, or commercial property devoted to use by an individual or group as a dwelling.

The property tax reduction grants are based on a formula that reduces combined general funds levies to a range between 50 and 120 mills. The formula uses weighted student units, per student payment rates, general fund, transportation and tuition levies and property valuation. For purposes of the fiscal note, property valuation and per student payment rates were increased 4% each year holding all other variables constant. The projected cost for the 2009-011 biennium is \$488.5 million and \$509 million for the 2011-2013 biennium.

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.*

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.*

Funding for this bill was not included in the executive budget recommendation.

Name:	Jerry Coleman	Agency:	Public Instruction
Phone Number:	328-4051	Date Prepared:	02/09/2009