

FISCAL NOTE
SENATE BILL NO. 2279
LC# 25.1132.01000
01/21/2025

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.

	2023-2025 Biennium		2025-2027 Biennium		2027-2029 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$181,015,948			
Appropriations						

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

Identify the fiscal effect on the appropriate political subdivision.

	2023-2025 Biennium	2025-2027 Biennium	2027-2029 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 2279 decreases the foundation aid formula deduct from 60 mills to 45 mills and decreases the school districts' levy authority by 15 mills.

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 of SB 2279 adjusts the school district funding formula to deduct 45 mills rather than 60 mills. This increases the state share of the foundation aid formula by \$181,015,948 for the 2025-2027 biennium. The impact for the 2027-2029 biennium would depend on student enrollment changes and taxable valuation changes. Section 2 changes the minimum local effort to mirror the changes in section 1. Section 3 removes the school districts' ability to use the base year calculation when determining its general fund

levy.

Section 4 changes the mill levy limitation from 70 mills in the general fund to 45 mills and allows an additional 10 mills in the general fund for a total reduction of 15 mills mirroring the change in the foundation aid formula.

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.

School districts would not receive additional funding as the increase in state funding would match their decrease in the ability to levy property taxes.

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.

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.

The appropriation for the integrated formula payment is in HB 1013.

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