

FISCAL NOTE
Requested by Legislative Council
01/10/2019

Bill/Resolution No.: HB 1380

- 1 A. **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.*

	2017-2019 Biennium		2019-2021 Biennium		2021-2023 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$19,000,000		\$37,000,000	
Appropriations			\$19,000,000		\$37,000,000	

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

	2017-2019 Biennium	2019-2021 Biennium	2021-2023 Biennium
Counties			
Cities			
School Districts			
Townships			

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

HB 1380 limits the dollar increases in property tax levied to 3% and limits the increase deducted from the funding formula to 3%.

- 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.*

HB 1380 would reduce the maximum increase of the contribution from property tax to the integrated funding formula from 12% to 3%. The bill allows the voters to authorize a temporary increase to exceed the 3% limit. The deduction from the formula would be adjusted for any increase the voters authorize.

The actual impact of HB 1380, if enacted, will depend on the actions of the local school district and any voter approval that may be sought.

The department does not currently collect enough data to know the total effect on 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.*

- 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.*

The 3% limitation will apply to school districts and will limit the increase in local funding from property taxes.

HB 1180 effectively shifts an estimated \$19 million from local sources to state sources required to fund the K-12 formula.

Adjusting the maximum increase in property tax contribution from 12% to 3% will increase the state share of the funding formula until all school districts are at 60 mills and taxable valuation is growing at a rate of less than 3%.

- 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 or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

Name: Adam Tescher

Agency: Department of Public Instruction

Telephone: 701-328-3291

Date Prepared: 01/15/2019

	CoDist	Entity Name	2019-20 Contribution from Property Taxes (12%)	2019-20 Contribution from Property Taxes 3%	Increase to State Funding 2019-20	2020-21 Contribution from Property Taxes (12%)	2020-21 Contribution from Property Taxes (3%)	Increase to State Funding 2020-21	2021-22 Contribution from Property Taxes (12%)	2021-22 Contribution from Property Taxes (3%)	Increase to State Funding 2021-22	2022-23 Contribution from Property Taxes (12%)	2022-23 Contribution from Property Taxes (3%)	Increase to State Funding 2022-23
01-013	Hettinger 13		891,157	888,569	2,588	920,565	915,226	5,339	950,943	942,683	8,260	982,325	970,963	11,362
02-002	Valley City 2		2,269,257	2,269,257	-	2,335,066	2,335,066	-	2,402,783	2,402,783	-	2,472,463	2,472,463	-
02-007	Barnes County North 7		1,814,840	1,811,323	3,517	1,872,915	1,865,663	7,252	1,932,848	1,921,633	11,215	1,994,699	1,979,282	15,417
02-006	Litchville-Marion 46		968,680	968,680	-	993,866	993,866	-	1,019,707	1,019,707	-	1,046,219	1,046,219	-
03-005	Minnewaukan 5		204,404	204,404	-	205,221	205,221	-	206,042	206,042	-	206,866	206,866	-
03-006	Leeds 6		670,586	670,586	-	688,692	688,692	-	707,287	707,287	-	726,384	726,384	-
03-009	Maddock 9		568,992	568,992	-	570,699	570,699	-	572,411	572,411	-	574,128	574,128	-
03-016	Oberon 16		138,185	138,185	-	138,461	138,461	-	138,738	138,738	-	139,016	139,016	-
03-029	Warwick 29		160,101	160,101	-	160,422	160,422	-	160,742	160,742	-	161,064	161,064	-
04-001	Billings Co 1		989,277	909,781	79,496	1,107,990	937,074	170,916	1,175,357	965,186	210,171	1,196,513	994,142	202,371
05-001	Bottineau 1		2,133,947	2,131,878	2,069	2,200,100	2,195,834	4,266	2,268,303	2,261,709	6,594	2,338,620	2,329,560	9,060
05-017	Westhope 17		467,351	467,351	-	469,688	469,688	-	472,037	472,037	-	474,397	474,397	-
05-054	Newburg-United 54		571,452	563,249	8,203	597,167	580,146	17,021	624,040	597,550	26,490	652,121	615,477	36,644
06-001	Bowman County 1		1,399,401	1,399,401	-	1,425,990	1,425,990	-	1,453,084	1,453,084	-	1,480,693	1,480,693	-
06-033	Scranton 33		530,513	530,513	-	536,879	536,879	-	543,322	543,322	-	549,842	549,842	-
07-014	Bowbells 14		480,788	480,788	-	480,788	480,788	-	480,788	480,788	-	480,788	480,788	-
07-027	Powers Lake 27		453,435	416,999	36,436	507,847	429,509	78,338	555,098	442,394	112,704	555,098	455,666	99,432
07-036	Burke Central 36		705,404	705,404	-	705,404	705,404	-	705,404	705,404	-	705,404	705,404	-
08-001	Bismarck 1		28,859,333	28,859,333	-	29,569,272	29,569,272	-	30,296,677	30,296,677	-	31,041,975	31,041,975	-
08-025	Naughton 25		40,497	39,916	581	42,319	41,113	1,206	44,224	42,346	1,878	46,214	43,616	2,598
08-028	Wing 28		297,460	297,460	-	304,599	304,599	-	311,910	311,910	-	319,396	319,396	-
08-033	Menoken 33		196,390	196,390	-	200,907	200,907	-	205,528	205,528	-	210,255	210,255	-
08-035	Sterling 35		319,930	319,930	-	329,207	329,207	-	338,754	338,754	-	348,578	348,578	-
08-039	Apple Creek 39		314,830	314,830	-	321,127	321,127	-	327,550	327,550	-	334,101	334,101	-
08-045	Manning 45		28,161	28,161	-	28,640	28,640	-	29,127	29,127	-	29,622	29,622	-
09-001	Fargo 1		23,676,346	23,071,558	604,788	24,741,782	23,763,705	978,077	26,452,374	24,476,616	1,975,758	27,960,160	25,210,914	2,749,246
09-002	Kindred 2		1,570,478	1,547,936	22,542	1,641,149	1,594,374	46,775	1,715,001	1,642,205	72,796	1,792,176	1,691,471	100,705
09-004	Maple Valley 4		1,245,734	1,245,734	-	1,256,946	1,256,946	-	1,268,258	1,268,258	-	1,279,672	1,279,672	-
09-006	West Fargo 6		21,520,612	19,791,277	1,729,335	23,146,598	20,385,015	2,761,583	24,709,457	20,996,565	3,712,892	26,098,129	21,626,462	4,471,667
09-007	Mapleton 7		554,414	516,810	37,604	579,362	532,314	47,048	605,433	548,283	57,150	632,678	564,731	67,947
09-017	Central Cass 17		1,663,619	1,663,619	-	1,705,209	1,705,209	-	1,747,840	1,747,840	-	1,791,536	1,791,536	-
09-080	Page 80		553,420	553,420	-	565,042	565,042	-	576,908	576,908	-	589,023	589,023	-
09-097	Northern Cass 97		1,320,221	1,320,221	-	1,343,985	1,343,985	-	1,368,177	1,368,177	-	1,392,804	1,392,804	-
10-019	Munch 19		757,524	757,524	-	763,585	763,585	-	769,693	769,693	-	775,851	775,851	-
10-023	Langdon Area 23		2,099,581	2,099,581	-	2,137,373	2,137,373	-	2,175,846	2,175,846	-	2,215,011	2,215,011	-
11-040	Ellendale 40		1,048,384	1,048,384	-	1,067,255	1,067,255	-	1,086,466	1,086,466	-	1,106,022	1,106,022	-
11-041	Oakes 41		1,216,394	1,216,394	-	1,220,044	1,220,044	-	1,223,704	1,223,704	-	1,227,375	1,227,375	-
12-001	Divide County 1		1,910,732	1,757,191	153,541	1,978,911	1,809,907	169,004	1,978,911	1,864,204	114,707	1,978,911	1,920,130	58,781
13-016	Killdeer 16		1,705,096	1,568,079	137,017	1,909,708	1,615,121	294,587	2,138,873	1,663,575	475,298	2,395,538	1,713,482	682,056
13-019	Halliday 19		335,783	308,800	26,983	376,077	318,064	58,013	421,206	327,606	93,600	460,062	337,434	122,628
14-002	New Rockford-Sheyenne 2		866,465	866,465	-	878,596	878,596	-	890,896	890,896	-	903,369	903,369	-
15-006	Hazleton-Moffitt-Braddock 6		652,842	633,415	19,427	682,220	652,417	29,803	712,920	671,990	40,930	745,001	692,150	52,851
15-010	Bakker 10		209,001	192,206	16,795	234,081	197,972	36,109	258,437	203,911	54,526	270,066	210,028	60,038
15-015	Strasburg 15		519,628	477,873	41,755	554,112	492,209	61,903	579,048	506,975	72,073	605,105	522,184	82,921

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15-036	Linton 36		780,072	717,388	62,684	844,606	738,910	105,696	882,613	761,077	121,536	922,331	783,909	138,422
16-049	Carrington 49		1,530,187	1,530,187	-	1,530,187	1,530,187	-	1,530,187	1,530,187	-	1,530,187	1,530,187	-
17-003	Beach 3		697,885	677,574	20,311	721,613	697,901	23,712	746,147	718,838	27,309	771,516	740,403	31,113
17-006	Lone Tree 6		236,245	232,853	3,392	246,876	239,839	7,037	257,985	247,034	10,951	269,594	254,445	15,149
18-001	Grand Forks 1		14,291,030	14,291,030	-	14,611,149	14,611,149	-	14,938,439	14,938,439	-	15,273,060	15,273,060	-
18-044	Larimore 44		887,617	887,617	-	899,156	899,156	-	910,845	910,845	-	922,686	922,686	-
18-061	Thompson 61		817,352	805,620	11,732	854,133	829,789	24,344	892,569	854,683	37,886	932,735	880,323	52,412
18-125	Manvel 125		398,730	398,730	-	401,122	401,122	-	403,529	403,529	-	405,950	405,950	-
18-127	Emerado 127		239,391	239,391	-	239,391	239,391	-	239,391	239,391	-	239,391	239,391	-
18-128	Midway 128		667,448	667,448	-	668,115	668,115	-	668,783	668,783	-	669,452	669,452	-
18-129	Northwood 129		663,420	663,420	-	668,727	668,727	-	674,077	674,077	-	679,470	679,470	-
19-018	Roosevelt 18		342,828	342,828	-	353,113	353,113	-	363,706	363,706	-	374,617	374,617	-
19-049	Elgin-New Leipzig 49		616,055	616,055	-	632,689	632,689	-	649,771	649,771	-	667,315	667,315	-
20-007	Midkota 7		774,011	774,011	-	777,107	777,107	-	780,215	780,215	-	783,336	783,336	-
20-018	Griggs County Central 18		843,818	843,818	-	848,037	848,037	-	852,277	852,277	-	856,539	856,539	-
21-001	Mott-Regent 1		1,162,828	1,146,137	16,691	1,215,155	1,180,521	34,634	1,269,837	1,215,937	53,900	1,326,980	1,252,415	74,565
21-009	New England 9		820,694	812,803	7,891	853,522	837,187	16,335	887,663	862,303	25,360	923,169	888,172	34,997
22-001	Kidder County 1		1,089,300	1,089,300	-	1,104,550	1,104,550	-	1,120,014	1,120,014	-	1,135,694	1,135,694	-
23-003	Edgeley 3		864,075	854,124	9,951	900,366	879,748	20,618	938,182	906,140	32,042	977,585	933,324	44,261
23-007	Kulm 7		665,797	665,797	-	676,449	676,449	-	687,273	687,273	-	698,269	698,269	-
23-008	LaMoure 8		941,741	941,741	-	960,575	960,575	-	979,787	979,787	-	999,383	999,383	-
24-002	Napoleon 2		618,438	613,081	5,357	642,557	631,473	11,084	667,616	650,417	17,199	693,653	669,930	23,723
24-056	Gackle-Streeter 56		638,830	638,830	-	650,968	650,968	-	663,336	663,336	-	675,940	675,940	-
25-001	Velva 1		1,005,793	1,005,793	-	1,016,857	1,016,857	-	1,028,042	1,028,042	-	1,039,351	1,039,351	-
25-014	Anamoose 14		246,141	245,663	478	254,017	253,033	984	262,146	260,624	1,522	270,534	268,443	2,091
25-057	Drake 57		467,060	460,797	6,263	487,611	474,621	12,990	509,066	488,860	20,206	531,465	503,526	27,939
25-060	TGU 60		1,145,927	1,145,927	-	1,163,116	1,163,116	-	1,180,562	1,180,562	-	1,198,271	1,198,271	-
26-004	Zealand 4		275,972	275,972	-	277,904	277,904	-	279,849	279,849	-	281,808	281,808	-
26-009	Ashley 9		476,195	476,195	-	484,766	484,766	-	493,492	493,492	-	502,375	502,375	-
26-019	Wishek 19		549,366	549,366	-	560,903	560,903	-	572,682	572,682	-	584,709	584,709	-
27-001	McKenzie Co 1		3,555,487	3,269,778	285,709	3,982,145	3,367,871	614,274	4,460,002	3,468,907	991,095	4,995,202	3,572,974	1,422,228
27-002	Alexander 2		1,041,451	957,763	83,688	1,166,425	986,496	179,929	1,306,396	1,016,091	290,305	1,463,164	1,046,574	416,590
27-014	Yellowstone 14		335,259	308,318	26,941	375,490	317,568	57,922	387,890	327,095	60,795	387,890	336,908	50,982
27-018	Earl 18		6,750	6,208	542	7,560	6,394	1,166	8,467	6,586	1,881	9,483	6,784	2,699
27-032	Horse Creek 32		76,612	70,456	6,156	85,805	72,570	13,235	96,102	74,747	21,355	107,634	76,989	30,645
27-036	Mandaree 36		151,470	139,298	12,172	169,646	143,477	26,169	190,004	147,781	42,223	212,804	152,214	60,590
28-001	Wilton 1		763,560	763,560	-	780,358	780,358	-	797,526	797,526	-	815,071	815,071	-
28-004	Washburn 4		850,062	850,062	-	861,113	861,113	-	872,307	872,307	-	883,647	883,647	-
28-008	Underwood 8		799,394	799,394	-	813,783	813,783	-	828,432	828,432	-	843,343	843,343	-
28-050	Max 50		566,815	566,815	-	572,483	572,483	-	578,208	578,208	-	583,990	583,990	-
28-051	Garrison 51		1,291,916	1,291,916	-	1,321,630	1,321,630	-	1,352,028	1,352,028	-	1,383,125	1,383,125	-
28-072	Turtle Lake-Mercer 72		786,996	786,996	-	791,718	791,718	-	796,468	796,468	-	801,247	801,247	-
29-003	Hazen 3		948,371	948,371	-	973,977	973,977	-	1,000,275	1,000,275	-	1,027,282	1,027,282	-
29-027	Beulah 27		1,862,777	1,723,306	139,471	1,946,602	1,775,005	171,597	2,034,199	1,828,255	205,944	2,125,738	1,883,103	242,635

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44-032	Central Elementary 32	-	-	-	-	-	1,425,568	-	-	-	-	-	-
45-001	Dickinson 1	8,501,736	7,818,561	683,175	9,478,686	8,053,118	1,425,568	8,605,015	8,294,712	310,303	8,198,858	8,198,858	-
45-009	South Heart 9	878,929	808,301	70,628	984,400	832,550	151,850	1,102,528	857,527	245,001	1,127,602	883,253	244,349
45-013	Belfield 13	627,592	621,132	6,460	627,592	627,592	-	627,592	627,592	-	627,592	627,592	-
45-034	Richardton-Taylor 34	762,931	762,931	-	765,983	765,983	-	769,047	769,047	-	772,123	772,123	-
46-010	Hope 10	691,154	691,154	-	691,154	691,154	-	691,154	691,154	-	691,154	691,154	-
46-019	Finley-Sharon 19	627,571	627,571	-	630,081	630,081	-	632,602	632,602	-	635,132	635,132	-
47-001	Jamestown 1	4,109,688	4,070,172	39,516	4,274,075	4,192,277	81,798	4,445,038	4,318,045	126,993	4,622,840	4,447,586	175,254
47-003	Medina 3	461,526	461,526	-	467,988	467,988	-	474,539	474,539	-	481,183	481,183	-
47-010	Pingree-Buchanan 10	483,934	483,934	-	490,709	490,709	-	497,579	497,579	-	504,545	504,545	-
47-014	Montpelier 14	379,720	379,720	-	386,935	386,935	-	394,287	394,287	-	401,778	401,778	-
47-019	Kensal 19	304,803	304,803	-	308,460	308,460	-	312,162	312,162	-	315,908	315,908	-
48-010	North Star 10	1,035,908	1,035,908	-	1,041,088	1,041,088	-	1,046,293	1,046,293	-	1,051,525	1,051,525	-
49-003	Central Valley 3	798,746	787,281	11,465	834,689	810,899	23,790	872,250	835,226	37,024	911,502	860,283	51,219
49-007	Hatton 7	505,744	505,744	-	519,399	519,399	-	533,422	533,422	-	547,825	547,825	-
49-009	Hillsboro 9	1,160,788	1,159,662	1,126	1,196,772	1,194,452	2,320	1,233,872	1,230,286	3,586	1,272,122	1,267,195	4,927
49-014	May-Port CG 14	1,354,098	1,354,098	-	1,394,721	1,394,721	-	1,436,563	1,436,563	-	1,479,660	1,479,660	-
50-003	Grafton 3	974,622	974,622	-	989,241	989,241	-	1,004,080	1,004,080	-	1,019,141	1,019,141	-
50-005	Fordville-Lankin 5	341,038	341,038	-	345,471	345,471	-	349,963	349,963	-	354,512	354,512	-
50-008	Park River Area 8	876,446	866,353	10,093	913,256	892,344	20,912	951,613	919,114	32,499	991,581	946,687	44,894
50-020	Minto 20	406,512	406,512	-	413,829	413,829	-	421,278	421,278	-	428,861	428,861	-
51-001	Minot 1	12,628,666	12,628,666	-	12,628,666	12,628,666	-	11,884,762	11,884,762	-	11,529,407	11,529,407	-
51-004	Nedrose 4	1,395,172	1,395,172	-	1,395,172	1,395,172	-	1,395,172	1,395,172	-	1,395,172	1,395,172	-
51-007	United 7	1,165,556	1,165,556	-	1,199,357	1,199,357	-	1,234,139	1,234,139	-	1,269,929	1,269,929	-
51-016	Sawyer 16	413,565	413,565	-	419,355	419,355	-	425,226	425,226	-	431,179	431,179	-
51-028	Kennare 28	1,105,140	1,105,140	-	1,105,140	1,105,140	-	1,105,140	1,105,140	-	1,105,140	1,105,140	-
51-041	Surrey 41	597,300	597,300	-	597,300	597,300	-	597,300	597,300	-	597,300	597,300	-
51-070	South Prairie 70	791,990	791,990	-	791,990	791,990	-	791,990	791,990	-	791,990	791,990	-
51-161	Lewis and Clark 161	1,821,518	1,821,518	-	1,847,020	1,847,020	-	1,872,878	1,872,878	-	1,899,098	1,899,098	-
52-025	Fessenden-Bowdon 25	984,269	984,269	-	987,221	987,221	-	990,183	990,183	-	993,154	993,154	-
52-038	Harvey 38	1,240,083	1,240,083	-	1,262,405	1,262,405	-	1,285,128	1,285,128	-	1,308,260	1,308,260	-
53-001	Williston 1	6,412,676	5,897,372	515,304	6,831,667	6,074,293	757,374	6,831,667	6,256,522	575,145	6,831,667	6,444,218	387,449
53-002	Nesson 2	1,241,580	1,141,811	99,769	1,390,570	1,176,065	214,505	1,557,438	1,211,347	346,091	1,744,331	1,247,687	496,644
53-006	Eight Mile 6	327,971	301,616	26,355	367,328	310,664	56,664	411,407	319,984	91,423	460,776	329,584	131,192
53-008	New 8	3,670,604	3,375,645	294,959	4,111,076	3,476,914	634,162	4,604,405	3,581,221	1,023,184	5,156,934	3,688,658	1,468,276
53-015	Tioga 15	1,957,098	1,799,831	157,267	2,191,950	1,853,826	338,124	2,454,984	1,909,441	545,543	2,749,582	1,966,724	782,858
53-099	Grenora 99	840,818	773,252	67,566	941,716	796,450	145,266	1,054,722	820,344	234,378	1,154,045	844,954	309,091
Grand Total				6,908,688			12,104,098			16,246,771			20,771,091