

**FISCAL NOTE**  
**Requested by Legislative Council**  
**01/16/2017**

Bill/Resolution No.: HB 1324

- 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.*

	2015-2017 Biennium		2017-2019 Biennium		2019-2021 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>						
<b>Expenditures</b>			\$1,601,133,642	\$335,187,293		
<b>Appropriations</b>			\$1,581,452,707	\$335,187,293		

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

	2015-2017 Biennium	2017-2019 Biennium	2019-2021 Biennium
<b>Counties</b>			
<b>Cities</b>			
<b>School Districts</b>		\$1,936,320,935	
<b>Townships</b>			

- 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 1324 establishes the policy for implementing the K-12 funding formula.

- 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 bill adds \$19,680,935 over the base level funding amount for integrated formula payments line item in HB 1013. See the attachment for explanation of the increases.

Formula per student rates  
 Year 1 \$9,646  
 Year 2 \$9,646

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

Funding for the K-12 formula is in the Integrated formula payments line item in the NDDPI appropriation bill (HB 1013).

Amounts to be funded from general and special funds have yet to be determined. The amounts identified in other funds are reported at the base level funding amounts.

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	2017-19 House
Cost to Continue	
2015-17 Base Level - Integrated Formula Payments	1,916,640,000
Cost to sustain 2016-17	54,023,781
Projected student growth in 2017-19	57,693,368
ELL factor adjustments passed last session	901,515
Local share of formula	(70,888,865)
Base adjustments for unobligated 2015-17 appropriation	(22,048,863)
Total Expenditures	<u>1,936,320,935</u>
Increase over 2015-17 Base Level Funding	19,680,935
Formula per student rates	
Year 1	\$9,646
Year 2	\$9,646