

**FISCAL NOTE**  
**Requested by Legislative Council**  
**01/07/2021**

Bill/Resolution No.: SB 2141

- 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.*

	2019-2021 Biennium		2021-2023 Biennium		2023-2025 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	\$(616,780)	\$0	\$(595,780)	\$0
<b>Appropriations</b>	\$0	\$0	\$0	\$0	\$0	\$0

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

	2019-2021 Biennium	2021-2023 Biennium	2023-2025 Biennium
<b>Counties</b>	\$0	\$0	\$0
<b>Cities</b>	\$0	\$0	\$0
<b>School Districts</b>	\$0	\$0	\$0
<b>Townships</b>	\$0	\$0	\$0

- 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).*

This bill would allow additional approved tests count for Scholarships. Also allows students and parents to opt out of testing, no longer requires NDDPI to pay for tests, and eliminates reporting of ACT data to NDDPI. Fiscal impact is more scholarships and money saved from not paying for tests.

- 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.*

There will be very small fiscal impact in Sections 3 and 4, regarding the Academic and CTE Scholarship, due to a small increase in the number of students qualifying for the scholarship. We ran a report of the number of students that graduated in 2019 and 2020 to see how many students had an SAT score of 1180 or higher, but didn't have an ACT of 24 or higher but would have met all other scholarship requirements had an 1180 SAT score counted. From that report, we were able to calculate the small fiscal impact that sections 3 and 4 would add, which is approximately \$21,000 of scholarships per graduating class, or \$5250 that would be used per graduating class for each of the four years of college. With this figure of \$5250, we were able to calculate the cost for each biennium. The 2021-2023 biennium would only see one year of use, that being the graduating class of 2022 during their freshman year of college for a total of \$5250. For the 2023-2025 biennium, the graduating classes of 2022 and 2023 would have two years of scholarship use, and the graduating class of 2024 would have one year's worth of use, for a total of \$26,250. In Section 7, the state would save \$622,030 per biennium by no longer being required to pay for ACT and WorkKeys tests for students in schools whose scores are not used for ESSA Accountability. The state would pay nothing for ACT and WorkKeys tests that are not used for accountability, and would pay only 30% of the costs of the ACT if it is used for accountability ( the other 70% of tests used for accountability would be paid for with federal funds). If we combine these savings with the additional costs of scholarships from sections 3 and 4, this gives a savings to the state of \$616,780 for the 2021-2023 biennium, and a savings of \$595,780 for the 2023-2025 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.*

This bill is not anticipated to create any state revenue.

- 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.*

There will be very small fiscal impact in sections 3 and 4, regarding the Academic and CTE Scholarship, due to a small increase in the number of students qualifying for the scholarship. We ran a report of the number of students that graduated in 2019 and 2020 to see how many students had an SAT score of 1180 or higher, but didn't have an ACT of 24 or higher but would have met all other scholarship requirements had an 1180 SAT score counted. From that report, we were able to calculate the small fiscal impact that sections 3 and 4 would add, which is approximately \$21,000 of scholarships per graduating class, or \$5250 that would be used per graduating class for each of the four years of college. With this figure of \$5250, we were able to calculate the cost for each biennium. The 2021-2023 biennium would only see one year of use, that being the graduating class of 2022 during their freshman year of college. For the 2023-2025 biennium, the graduating classes of 2022 and 2023 would have two years of scholarship use, and the graduating class of 2024 would have one year's worth of use. In Section 7, the state would save \$622,030 per biennium by no longer being required to pay for ACT and WorkKeys tests for students in schools whose scores are not used for ESSA Accountability. The state would pay nothing for ACT and WorkKeys tests that are not used for accountability, and would pay only 30% of the costs of the ACT if it is used for accountability ( the other 70% of tests used for accountability would be paid for with federal funds). If we combine these savings with the additional costs of scholarships from sections 3 and 4, this gives a savings to the state of \$616,780 for the 2021-2023 biennium, and a savings of \$595,780 for the 2023-2025 biennium.

- 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.*

This bill does not provide an appropriation.

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