



BILL SUMMARY

State School Aid and Categorical Funding Bills: HF's 80, 81, 82 and 79

Status of Bills: House Floor
 Committee: Education (13-10)
 Lead Democrats: Representative Ruff
 Floor Manager: Representative Jorgensen
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Bill Summary

HF 80, State School Aid, FY 2016, at 1.25%

The Legislature has still not set State School Aid for FY 2016 and followed the law which requires the next year's school funding to be set within 30 days after the Governor's budget was introduced for FY 2015. HF 80 finally sets State School Aid for FY 2016 at 1.25%.

HF 80 provides a total in state aid, in FY 2016 of \$2.966 billion, an increase of approximately \$92.3 million compared to FY 2015. This will increase the state cost per pupil from \$6,366 to \$6,446 (or \$80). Preschool aid would be set at \$73.1 million, an increase of \$3.2 million. The total foundation property tax amount would equal \$1.388 billion, an increase of \$38.2 million. The combined district costs are \$4.315 billion, an increase of \$146 million compared to FY 2015. The budget guarantee represents \$16.5 million of the local property taxes to reach the 101% funding level provided by the guarantee. There are 165 districts (49%) on the budget guarantee, or an increase of 99 districts (150%).

Amendment Summary, HF 80

H-XXXX by Ruff and others: Sets State School Aid Funding for FY 2016 at 6%

The amendment provides the total state general fund amount in FY 2016 of \$3.140 billion, an increase of approximately \$265.9 million compared to FY 2015. This will increase the state cost per pupil from \$6,366 to \$6,748 (or \$382). Preschool aid would be set at \$76.6 million, an increase of \$6.6 million. The total foundation property tax amount would equal \$1.4 billion, an increase of \$51.1 million. The combined district costs are \$4.499 billion, an increase of \$329.3 million compared to FY 2015. The budget guarantee accounts for \$1.1 million of the local property taxes to reach the 101% funding level, and 28 districts (8%) are on the budget guarantee. This is a decrease of districts on the budget guarantee by 38 (58%).

Bill and Amendment Summary, HF 81, Categorical Funding FY 2016

HF 81 provides categorical funding for FY 2016. The category and total funding compared to the Ruff amendment are provided below:

HF 81 at 1.25%

Teacher Salary Supplement:
\$267.8 million, or a \$4.8 million increase

Professional Development:
\$30.4 million, or a \$500,000 increase

Vs. Amendment H-XXXX by Ruff and Others at 6%

Vs. \$279.6 million or a \$16.6 million increase

Vs. \$31.7 million or a \$1.9 million increase

Early Intervention:
\$33 million, or \$600,000 increase Vs. \$34.5 million or a \$2.1 million increase

Teacher Leadership Compensation (TLC):
\$50.2 million (new program) Vs. \$52.5 million

TOTAL Categorical Funding including AEA's:
\$398.2 million or a \$56.4 million increase Vs. \$415.9 million or a \$74.1 Million increase

Bill Summary

HF 82, State School Aid, FY 2017, at 2.45% (Assuming 1.25% FY 2016)

HF 82 sets growth for supplemental state aid at 2.45% for FY 2017 and meets the current law for the Legislature to set within 30 days. The bill provides total state general fund amount in FY 2017 of \$3.102 billion, an increase of approximately \$92.3 million compared to FY 2016. This will increase the state cost per pupil from \$6,366 to \$6,604 (or \$158). Preschool aid would be set at \$76.8 million, an increase of \$3.7 million. The total foundation property tax amount would equal \$1.441 billion, an increase of \$53.6 million. The combined district costs are \$4.502 billion, an increase of \$186.7 million compared to FY 2016. The budget guarantee is \$18.2 million and 126 districts (37.2%) are on the budget guarantee, a decrease of 39 (24%).

Amendment Summary, HF 82

H-XXXX by Ruff and others: Sets State School Aid Funding for FY 2017 at 6% (Assuming 6% for FY 2017)

The amendment provides the total state aid amount in FY 2017 of \$3.424 billion, an increase of approximately \$284.1 million compared to FY 2016. This will increase the state cost per pupil from \$6,366 to \$7,153 (or \$405). Preschool aid would be set at \$83.2 million, an increase of \$6.6 million. The total foundation property tax amount would equal \$1.482 billion, an increase of \$80.8 million. The combined district costs are \$4.859 billion, an increase of \$360.2 million compared to FY 2016. The budget guarantee is \$5.4 million and 62 districts (18%) are on the budget guarantee. This is an increase of districts on the budget guarantee by 34 compared to FY 2016 at a 121% increase.

Bill and Amendment Summary, HF 79, Categorical Funding, FY 2016, at 1.25%

HF 79 provides categorical funding for FY 2017. The category and total funding compared to the Ruff amendment, (assuming 6% FY 2016) are provided below:

HF 81 at 1.25% Vs. Amendment H-XXXX by Ruff and Others at 6%

Teacher Salary Supplement:
\$275.2 million, or a \$7.4 million increase Vs. \$297.3 million or a \$17.6 million increase

Professional Development:
\$31.2 million, or a \$800,000 increase Vs. \$33.7 million or a \$2.0 million increase

Early Intervention:
\$33.9 million, or \$900,000 increase Vs. \$36.7 million or a \$2.2 million increase

Teacher Leadership Compensation (TLC):
\$103.1 million, a \$53 million increase Vs. \$111.7 million, a \$59.2 million increase

TOTAL Categorical Funding including AEA's:
\$460.8 million or a \$62.6 million increase Vs. \$498 million or a \$82.1 Million increase