



CONFERENCE COMMITTEE REPORT

FY 2017 State Supplemental Aid and Categorical Funding Bills: SF 174 and SF 175

Status of Bill: In Conference Committee
Committee: Education, Both Passed Senate 26-24 (2/10/15)
On 1/25/16 SF 174, Passed House 55-43, and SF 175 passed 56-42
Lead Democrats: Representative Ruff and Winckler
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March 22, 2016

SF 174 State Supplemental Aid (SSA)

At 2.25% for FY 2017:

Total state school funding amount in FY 2017 of \$3.107 billion, an increase of approximately \$153.8 million compared to FY 2016. State aid represents \$91 million of the increase, and the categorical increase is \$62.6 million. At 2.25%, the state cost per pupil would increase from \$6,446 to \$6,591 (or \$145). Preschool aid would be set at \$76.3 million, an increase of \$3.0 million. The total foundation property tax amount would equal \$1.416 billion, an increase of \$35.3 million. The combined district costs are \$4.491 billion, an increase of \$188.5 million compared to FY 2016. AEA funding would total \$228.2 million or an increase of \$21.3 million compared to FY 2016. The property tax replacement total is \$41.4 million, or an increase of \$10.3 million. The budget guarantee represents \$10.6 million of the local property taxes to reach the 101% funding level provided by the guarantee. There are 112 districts (33%) on the budget guarantee, or a decrease of 50 districts (30.9%).

At 2.25% the State General Fund increase is \$74.1 less than 4.0% for FY 2017.

Implementation

The bill adds a provision that the implementation of state law requiring the establishment of SSA within thirty days of the submission of the governor's budget in the year preceding does not apply to this act. The law also states that the bill setting SSA funding shall be a single subject. The bill takes effect upon enactment.

SF 175, Categorical Funding, FY 2017, at 2.25%

SF 175 provides categorical funding for FY 2017. The category and total funding compared to FY 2016 are provided below:

SF 175 at 2.25%

Teacher Salary Supplement:

\$290.4 million or an increase of \$7.6 million

Professional Development:

\$33.0 million or an increase of \$0.9 million

Class Size Reduction, Early Intervention:

\$33.9 million or an increase of \$0.9 million

**Teacher Leadership Compensation (TLC):
\$103.4 million or an increase of \$53.3 million**

**TOTAL Categorical Funding including AEA's:
\$460.7 million or a \$62.6 million increase**

Implementation

The bill adds a provision that the implementation of state law requiring the establishment the categorical funding within thirty days of the submission of the governor's budget in the year preceding does not apply to this act. The law also states that the bill setting categorical funding shall be a single subject. The bill takes effect upon enactment.