



BILL AND AMENDMENT SUMMARY

FY 2016 State School Aid and Categorical Funding SF 171 and 172

Status of Bills: House Floor
Committee: Education (12-9)
Lead Democrats: Representative Ruff
Floor Manager: Representative Jorgensen
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Bill Summary

SF 171, State School Aid, FY 2016, at 4%

The Legislature has still not set State School Aid for FY 2016 which was required by law to be set last year. Senate File 171, the Senate version for FY 2016, sets the amount at 4%. The House Republicans have passed a committee amendment to bring it back down to their version of 1.25%. If this bill passes the House as amended, it will likely go to a conference committee so the FY 2016 amount can be addressed. There is no agreed amount yet, and neither for FY 2017 which was required by law to be set by February 12th. These bills just address FY 2016. The numbers provided below include SF 173, the property tax replacement bill, currently on the House Calendar from the Ways and Means Committee.

SF 171, at 4%, provides the total state general fund amount in FY 2016 of \$3.084 billion, an increase of approximately \$212.2 million compared to FY 2015. This will increase the state cost per pupil from \$6,366 to \$6,621 (or \$255). Preschool aid would be set at \$75.1 million, an increase of \$5.2 million. The total foundation property tax amount would equal \$1.4 billion, an increase of \$24.1 million. The combined district costs are \$4.417 billion, an increase of \$247.3 million compared to FY 2015. The budget guarantee accounts for \$3.3 million of the local property taxes to reach the 101% funding level, and 60 districts (18%) are on the budget guarantee. This is a decrease of districts on the budget guarantee by six (-9.1%).

Amendment Summary

H-1009 by Committee on Education: Sets State School Aid Funding for FY 2016 at 1.25%

Provides a total in state aid, in FY 2016 of \$2.965 billion, an increase of approximately \$99.8 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 \$1.382 billion, an increase of \$32.7 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%).

Bill Summary and Amendment, SF 172, Categorical Funding FY 2016

SF 172 provides categorical funding for FY 2016 at 4%. The category and total funding compared to the Education Committee Amendment are provided on the back page:

SF 172 at 4%

Teacher Salary Supplement:

\$289.9 million, or a \$12 million increase

Vs. Education Committee Amendment H-1010 at 1.25%

Vs. \$282.9 million, or a \$5.1 million increase

Professional Development:

\$32.9 million, or a \$1.4 million increase

Vs. \$32.1 million, or a \$600,000 increase

Early Intervention:

\$33.9 million, or \$1.4 million increase

Vs. \$33 million, or \$600,000 increase

Teacher Leadership Compensation (TLC):

\$51.5 million (new program)

Vs. \$50.2 million

TOTAL Categorical Funding including AEA's:

\$408.1 million or a \$66.4 million increase

Vs. \$398.2 million or a \$56.4 million increase