2008 GENERAL SESSION FISCAL NOTE WORKSHEET XI (Revised Jan. 2008)

Agency: UTAH STATE OFFICE OF EDUCATION **Bill Number** SB 162

TITLE OF BILL: FEDERAL EDUCATION AGREEMENT REQUIREMENTS

Requested by: Ben Leishman

Office of the Legislative Fiscal Analyst
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Salt Lake City, UT 84114-5310
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Fax/Electronic Mail Transmittal To:

Name:

Date:

Fax Number:

Please return to Fiscal Analyst by: January 29, 2008

This Bill Takes Effect: [ ] On passage [ ] On July 1 [X] 60 Days after session [ ] Other

Bill Carries Own Appropriation: [ ]

FISCAL IMPACT OF PROPOSED LEGISLATION

	FY 2008 Supp.	FY 2009	FY 2010
A. REVENUE IMPACT BY SOURCE OF FUNDS			
1. General Fund			
2. Uniform School Fund - Education Fund	**$5,000**	**$5,150**	**$5,330**
3. Transportation Fund			
4. Collections			
5. Other Funds (List Below)			
6 Local Funds			
7. TOTAL	**$ 5,000**	**$ 5,200**	**$ 5,300**

B. EXPENDITURE IMPACT:			
By Source of Funds			
1. General Fund			
2. General Fund, One Time			
3. Uniform School Fund - Education Fund	**$5,000**	**$5,150**	**$5,330**
3. Transportation Fund			
4. Collections			
5. Other Funds (List Below)			
6. Local Funds			
7. TOTAL	**$ 5,000**	**$ 5,200**	**$ 5,300**
By Expenditure Category			
1. Salaries, Wages and Benefits	**$5,000**	**$5,150**	**$5,330**
2. Travel			
3. Current Expenses			
4. D.P. Current Expenses			
5. Capital Outlay			
6. D.P. Capital Outlay			
7. Other (Specify)			
8. TOTAL	**$ 5,000**	**$ 5,200**	**$ 5,300**

C. IMPACT IN FUTURE YEARS?

If no fiscal impact in the first two years, indicate any impact in future years, and explain. Also, indicate any significant changes in fiscal impact beyond the first two years. (Use back side, or attachment, if necessary.) In any year when the Governor or Legislative Management Committee decided to reject a federal education agreement it would cut current services between $277,549 and $105,000,000.

Prepared By	Title	Agency	Phone #	Date
Von Hortin	Audit/Finance Specialist	Finance & Statistics	538-7670	1/29/2008

D. Identify Sections of the Bill That Will Generate the Additional Workload or Cost Increase

Lines 62 - 123 set up a method to review the state cost of implementing federal education agreements. A cost estimate is required each year. The cost listed is additional time required to perform the calculations required on lines 115-118. Additional costs might be generated if the Legislative Management Committee performs additional calculations.

E. Expenditure Impact Details ***(Ties to totals in Section C)***

List and document methodology and/or assumptions used in determining need for workload and cost increase.
List number, type, and step ranges of personnel required, including benefits.
List details of other impacted expenditure categories as shown in Section C.
List additional space requirements and cost associated with requirements of this bill.
(USE ATTACHMENTS IF NECESSARY.) The cost would be from time used to accumulate the state costs which would vary from year to year and would need to be communicated to the Legislative Management Committee annually. The cost is what is estimated in additional time to be able to fully compile the staff, space and materials costs, along with any district and charter costs, to meet the provisions of the bill. This calculation is specified in lines 115-118.

F. No Fiscal Impact or Will Not Require Additional Appropriations?

Specify why this bill will have no fiscal impact on your agency or institution.
Specify how you will reallocate workloads, resources, or funding sources to eliminate need for additional appropriations. (USE ATTACHMENTS IF NECESSARY.) NA

G. If Bill Carries Its Own Appropriation:

Indicate if the amount appropriated is adequate to meet the purposes of the bill.
Are there future additional costs anticipated beyond the appropriation in the bill? The bill carries no appropriation.

H. Impact on Local Governments, Businesses, Associations, and Individuals

Specify requirements in the bill that drive the impact on local governments.
Indicate costs or savings that are ***DIRECT and MEASURABLE****. If direct and measurable data are not available, are there areas that potentially could have a fiscal impact? (USE ATTACHMENT IF NECESSARY.)*

Local School Districts/Charter Schools: If the Governor or the Legislative Management committee decide to void an educational agreement , currently, it would only affect the Indian Education program or NCLB funds. This could reduce services by as much as $105,000,000 and most of this is in direct services to students.

Businesses and Associations: If federal agreements were discontinued there may be costs to be bourn as employee contracts are required to be paid or notice of RIF for loss of a grant provisions are being met. Also unemployment costs would rise. Both would need to be backed by property taxes.

Individuals: Services for students in the most economically disadvantaged settings would get the majority of impact if education agreements were voided.

Narrative Description of Bill: The bill requires annual estimation of the state cost to implement a federal education agreement, and give power to the Governor or the Legislative Management Committee to void any agreement costing $100,000 in state funds.

This is a draft fiscal note response from the Utah State Office of Education (USOE) and may be revised in the future.
This fiscal note input draft does not imply endorsement of this bill by the State Board of Education or USOE.