



**Fiscal Note Request HB 47, As Introduced**

(continued)

7,350 kindergarten students, approximately 3,675 ANB, shift from half-time to full-time status, the state cost is estimated to be \$10,245,900 annually in increased K-12 BASE aid costs.

FISCAL IMPACT:

	<u>FY 2006</u> <u>Difference</u>	<u>FY 2007</u> <u>Difference</u>
<u>Expenditures:</u>		
Local Assistance	\$10,245,900	\$10,245,900
<u>Funding of Expenditures:</u>		
General Fund (01)	\$10,245,900	\$10,245,900
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
General Fund (01)	(\$10,245,900)	(\$10,245,900)

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

As school districts expand their educational programs for kindergarten students, it is expected that local property taxes will increase along with the ANB funding from the state. In FY 2005, the average local contribution for the elementary general fund BASE budget is \$726/ANB. The statewide cost for the additional 3,675 ANB would be \$2.7 million. In addition to these BASE mills, districts may choose to levy mills above the BASE level. The maximum increase per kindergarten ANB would be \$806. Districts that currently maintain full-time kindergarten programs may offset other local mills with this additional funding from the state and BASE levies. Districts that add full-time kindergarten programs will increase the local mills at the BASE level and may also increase mills above the BASE.

County retirement levies are expected to increase approximately \$380 per ANB or \$1.4 million statewide.