

# BDR 31-409

## SB 424

### UNSOLICITED EXECUTIVE AGENCY FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: April 2, 2015

Agency Submitting: Nevada Department of Education

Items of Revenue or Expense, or Both	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	Effect on Future Biennia
Total	0	0	0	0

#### Explanation

(Use Additional Sheets of Attachments, if required)

BDR 31-409 requires the creation of the public education stabilization account. This account would be funded through transfers from the DSA account of unused funding at the end of a biennium in odd fiscal years. The bill would most likely increase funding for Budget Account 2615, School Remediation Trust Fund, and reduce funding to the State General Fund. The excess funds in the Distributive School Account normally transferred to the State General Fund at the end of a biennium would instead be transferred to two other accounts: 50% of excess funds would be transferred to the School Stabilization account and 50% would be transferred to the School Remediation Trust Fund (BA 2615). The loss to the State General Fund over the past five biennia would have totaled \$408,138,997. Half of that loss (\$204.1 million) would have transferred to the Stabilization Account and the remaining half would have transferred to the School Remediation Trust Fund. The average loss over the last five biennia totals \$81,627,799 per biennium. The measure provides for a cap for the Stabilization Account of 20% of the total available funds. The total funds includes State DSA funding, local DSA funding, and State Class-Size Reduction (CRS) funding; these funds total \$2,632,908,478 in FY 2015. Using the 20% cap for this total provides a threshold cap of \$526,581,696. If this cap is reached, the excess of the cap would go to the Account to Stabilize the Operation of State Government (NRS 353.288).

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