

## SF82 - 0 - Consolidation Transition Aid Modified

Chief Author: **Jason Rarick**  
 Committee: **Education Finance**  
 Date Completed: **2/20/2025 1:49:53 PM**  
 Agency: **Education Department**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact	X	

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative.  
 Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
Dollars in Thousands					
General Fund	-	302	185	319	185
<b>Total</b>	<b>-</b>	<b>302</b>	<b>185</b>	<b>319</b>	<b>185</b>
<b>Biennial Total</b>			<b>487</b>		<b>504</b>

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
General Fund	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**LBO Analyst's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

**LBO Signature:** Alyssa Holterman Rosas      **Date:** 2/20/2025 1:49:53 PM  
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**State Cost (Savings) Calculation Details**

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

<b>State Cost (Savings) = 1-2</b>		<b>Biennium</b>			<b>Biennium</b>	
Dollars in Thousands		<b>FY2025</b>	<b>FY2026</b>	<b>FY2027</b>	<b>FY2028</b>	<b>FY2029</b>
General Fund	-	302	185	319	185	
<b>Total</b>	-	<b>302</b>	<b>185</b>	<b>319</b>	<b>185</b>	
<b>Biennial Total</b>			<b>487</b>		<b>504</b>	
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>						
General Fund	-	302	185	319	185	
<b>Total</b>	-	<b>302</b>	<b>185</b>	<b>319</b>	<b>185</b>	
<b>Biennial Total</b>			<b>487</b>		<b>504</b>	
<b>2 - Revenues, Transfers In*</b>						
General Fund	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-
<b>Biennial Total</b>			-		-	

**Bill Description**

The bill increases consolidation transition aid for districts that are reorganizing for operational or economic purposes from \$200 to \$424 per APU in the first year of consolidation and from \$100 to \$212 per APU in the second year of consolidation.

**Assumptions**

The values identified assume one consolidation every other year beginning in FY 2026. Aid cannot exceed a combined per adjusted resident pupil unit count of 1,500 students in the newly consolidated district.

**Expenditure and/or Revenue Formula**

<b>SF82</b>	<b>FY26</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>
Current Law	300,000	150,000	300,000	150,000
Proposed Law under SF82	636,000	318,000	636,000	318,000
Difference in Entitlement	336,000	168,000	336,000	168,000
Current	302,400	151,200	302,400	151,200
Final		33,600	16,800	33,600
<b>Total Appropriation</b>	<b>302,400</b>	<b>184,800</b>	<b>319,200</b>	<b>184,800</b>

**Long-Term Fiscal Considerations**

While this formula allowance more than doubles the per APU aid provided to districts in the process of consolidation and transition, the long-term fiscal impact is anticipated to be minimal, as there have been only two consolidations since FY 2021.

### **Local Fiscal Impact**

Districts in consolidation and transition will receive aid based on the combined resident APU of the newly formed district, not to exceed 1,500 APU.

### **References/Sources**

Historical Consolidation and Transition Aid actuals and forecasts

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