

Fiscal Note

2023-2024 Legislative Session

SF4805 - 0 - LTFM Revenue; Historical Preservation Projects

Chief Author: **Robert Farnsworth**
 Committee: **Education Finance**
 Date Completed: **4/8/2024 9:41:53 AM**
 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		
	Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium		
		FY2023	FY2024	FY2025	FY2026	FY2027
Total	-	-	-	-	-	-

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:** 4/8/2024 9:41:53 AM
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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.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027	
Total	-	-	-	-	-	-
Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

The bill allows districts with buildings on the National Register of Historic Places to qualify for additional equalized Long-Term Facilities Maintenance (LTFM) Revenue after submitting a plan to MDE to preserve and maintain historic school buildings. "Historic school buildings" must be used to serve elementary or secondary students and be listed on the National Register of Historic Places as of January 1, 2024. The additional costs must not exceed \$200,000 per each historic school building. Revenue is effective for fiscal year 2026 and later.

Assumptions

Proposed language would provide additional LTFM Revenue for approved historic school building preservation, limited to \$200,000 per building per year for each qualifying historic school building. After some initial research, MDE believes the only school districts that will qualify for this revenue will be Winona and Hibbing.

The additional revenue for Winona and Hibbing Public Schools will be all levy and no state aid.

It is assumed that MDE current staff will absorb the costs of reviewing the additional documentation.

Expenditure and/or Revenue Formula

None

Long-Term Fiscal Considerations

The availability of this new LTFM revenue will be ongoing and will be in all levy.

Local Fiscal Impact

The additional revenue for Winona and Hibbing Public Schools will be all levy.

Districts would need to supply additional documentation to MDE for the additional revenue.

References/Sources

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