

N.C. GENERAL ASSEMBLY LEGISLATIVE FISCAL NOTE

Fiscal Research
733-4910

Prepared By: Jim Johnson	Date Prepared: May 8, 1989	Bill No.: SB 421	Edition: 2
Approved By: Tom Covington TOMC	MAY 9, 1989	Sponsor: Senator Conder	
Short Title: Temporary School Superintendents			

TYPE OF FISCAL IMPACT	FUNDS AFFECTED:			() Other:		
	() General () Highway () Local					
	County/					
	State Gov't	Local Gov't	State Fiscal Impact	FY 89-90	FY 90-91	FY
No Fiscal Impact ()	()	()	State Total Req'ments	\$832,181	\$832,181	
Increase Expenditure (X)	()	()	Receipts/Revenues			
Decrease Expenditure ()	()	()	Net State Expend./Rev.	\$832,181	\$832,181	
			No. of Positions			
			Local Fiscal Impact	FY	FY	FY
Increase Revenue ()	()	()	Local Total Req'ments			
Decrease Revenue ()	()	()	Receipts/Revenues			
No Estimate Avail. ()	()	()	Net Local Expend./Rev.			
			No. of Positions			

Description of Legislation

1. Summary of Legislation:

To increase the number of persons eligible to be paid as a superintendent of schools on a temporary basis. Amends G.S. 115C-275 to provide that one holding a principal's or supervisor's certificate may serve as interim superintendent and be paid at bottom of superintendent's salary schedule or one step above what person would make as a principal or supervisor.

2. Effective Date:

Upon ratification

3. Fund or Tax Affected:

General Fund

4. Principal Department/Program Affected:

Department of Public Education

Cost or Revenue Impact on State

	FY	FY	FY
	88-89	89-90	
1. Non-Recurring Costs/Revenues			
2. Recurring Costs/Revenues			
3. Fiscal/Revenue Assumptions			
1. Projected on the basis of current costs, with no adjustments for salary increases.			
2. 134 school units in the next biennium.			
3. 15% turnover, or a maximum of 20 units that could hire interim superintendents, without a superintendent's certificate.			
4. Average salary \$46,000; \$8,634 retirement and social security; and \$1,126 health insurance at current FY 1988-89 costs.			
5. Nine months served as interim superintendent.			

Cost/Revenue Impact on County or Local Government

	FY	FY	FY
	88-89	89-90	
1. Non-Recurring Costs/Revenues			
2. Recurring Costs/Revenues			
3. Fiscal/Revenue Assumptions			

Sources of Data for Fiscal Note

Average Salary Report of the Division of Financial Services,
Department of Public Instruction

Technical Considerations/Comments

The dollar cost shown above represents the maximum state exposure, at current costs, under SB 421. The maximum exposure will rise in the future with adjustments to salary schedules and across-the-board increases.

The state portion of salaries of all local superintendents for the next biennium is already part of the base budget approved by the Senate and House. Under current law, if a local school unit hires an interim superintendent, without a superintendent's certificate the local unit bears the cost and the state funds budgeted for that position would become a part of the reversion in that fiscal year. Therefore, the fiscal impact of SB 421 is not an increase in appropriations for the next biennium, but a potential decrease in reversions.



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