

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: House Bill 1086

SHORT TITLE: Capacity of New Schools Capped

SPONSOR(S): Representative Steve Wood

FISCAL IMPACT					
	Yes (x)	No ()	No Estimate Available ()		
	<u>FY 1999-00</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>	<u>FY 2002-03</u>	<u>FY 2003-04</u>
REVENUES					
EXPENDITURES					
POSITIONS:					
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:					
EFFECTIVE DATE:					

BILL SUMMARY: Adds new GS 115C-520.1 providing that new public schools designed after cited date are subject to following maximum student capacities: kindergarten through fifth grade: 300 students; sixth through eighth grades, 500 students; ninth through 12 grades, 700 students.

ASSUMPTIONS AND METHODOLOGY:

1. Because of enrollment increases, a substantially number of new schools are expected to be built throughout the state within the next five years.
2. The bill will increase the number of individual school buildings constructed by local school boards.
3. A preliminary review of the bill by the Division of School Planning, Department of Public Instruction indicates that the immediate area of increased cost would be in site costs.

4. Operating costs might also be somewhat higher on a per student basis in the smaller school, but these costs are not dealt with in this fiscal note.
5. Below are three examples of the economy of scale differences that occur in the three different size buildings required under the bill.

Comparative Cost Estimates: Construction Costs Plus Urban Land Acquisition

Elementary School	Two 300-Student Schools	One 600-Student	Difference In Costs
	\$11,429,620	\$8,970,425	\$2,459,195

Middle School	Three 500-Student Schools	Two 750-Student Schools	Difference in Costs
	\$29,528,013	\$27,306,182	\$2,221,831

High School	One 700-Student School	One 1,400-Student School	Difference in Costs
	\$34,195,262	\$28,608,458	\$5,586,804

TECHNICAL CONSIDERATIONS: none

FISCAL RESEARCH DIVISION: 733-4910

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DATE: Thursday, April 22, 1999



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