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LB 675

Revision: 01

Revised on 5/8/19 based on amendments adopted through 5/7/19.

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2019-20		FY 2020-21	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	(\$12,066,443)		(\$12,898,807)	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	(\$12,066,443)		(\$12,898,807)	

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB 675, as amended, changes the Tax Equity and Educational Opportunities Support Act (TEEOSA) which provides state aid to education. The bill changes the base limitation rate in the formula in FY2019-20.

A change in the base limitation rate changes the cost growth factor in the formula which is used to inflate two year old school district expenditures for purposes of calculating aid. Currently, the cost growth factor is 4% for FY20 and 5% for FY21. The change in the base limitation rate in FY20 from 2.5% to 2% decreases the cost growth factor to 3.5% for FY20 and 4.5% for FY21. The change impacts the amount of state aid allocated in FY2019-20 and FY2020-21. The estimated decrease in state aid is \$12,066,443 in FY20 and \$12,898,807 in FY21.

Technical Note: The reduction in the TEEOSA state aid appropriation per LB 675 is included in LB 294 – Mainline Appropriations Bill.

