

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2021-22		FY 2022-23	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

LB323 makes changes to the Tax Equity and Educational Opportunities Support Act (TEEOSA) in school fiscal years affected by a pandemic, which is defined as having a state of emergency related to a pandemic declared by the Governor pursuant to the Emergency Management Act.

The TEEOSA process has been updated to address and correct the following issues for the 2019/20 school year and beyond:

- The hours reported for Early Childhood were only reported through March, even though services continued for the remainder of the school year.
 - A calculation is added to annualize the reported hours.
- The Transportation allowance route mileage incurred was lower than previous years due to the districts closing down in March but bus drivers were still employed by the district for the remainder of the school year.
 - A calculation is added to annualize the bus route mileage.
- The Summer School allowance is set up to apply to “in-person” learning only.
 - Participation through an equivalent remote learning experience is now accepted.

Fiscal impact will be minimal since the changes will be done in the TEEOSA recalculation and then distributed to the school districts.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB:	323	AM:	AGENCY/POLT. SUB: Nebraska Department of Education
REVIEWED BY:	Gary Bush	DATE:	1/21/21 PHONE: (402) 471-4161
COMMENTS: No basis to disagree with the agency’s estimate of minimal impact to the state. There could be significant impacts to school districts from the redistribution of aid.			

Please complete ALL (5) blanks in the first three lines.

2021

LB⁽¹⁾ 323

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ NE Dept of Education

Prepared by: ⁽³⁾ Bryce Wilson Date Prepared: ⁽⁴⁾ 1/14/21 Phone: ⁽⁵⁾ 402-471-4320

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2021-22</u>		<u>FY 2022-23</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

LB 323 is a bill that addresses three TEEOSA issues caused by the pandemic.

This bill fixes an issue on the recalculation of TEEOSA involving the formula student calculation for early childhood which uses the hours reported for the program. Due to the pandemic the hours for the 19/20 year were only reported through March even though services were continued virtually for students the remainder of the school year. A calculation is added to annualize the reported hours to correct this issue.

The other calculation issue this bill corrects is the calculation of the Transportation allowance which uses route miles which were not incurred after schools shut down in March of 2020. This bill adds a calculation to annualize the route miles since most schools continued paying bus drivers after the shutdown incurring costs which may not be recognized without this adjustment.

Last the bill clarifies that the summer school allowance requirements for hours and days, which was originally intended to apply to in person class, can also be met virtually by providing an equivalent remote learning experience.

The fiscal impact to the State will be minimal since these changes primarily result in a redistribution of aid.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22 EXPENDITURES</u>	<u>2022-23 EXPENDITURES</u>
	<u>21-22</u>	<u>22-23</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____

Capital improvements.....

TOTAL.....

