

Updated to reflect new information received from NDE

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2020-21		FY 2021-22	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$2,717,815			
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$2,717,815			

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 recalculation of TEEOSA process has been updated to address and correct the issues for the 2019/20 school year and beyond are listed below:

- 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.

Revision:

The calculation of the Transportation allowance, which uses the route miles of transporting students, did not happen after schools shut down in March of 2020. LB323 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. This change affects the 2020/21 certification and as a result of shifting needs between school districts, has a fiscal cost of \$2,717,815.

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2021

LB⁽¹⁾ 323 Revised

FISCAL NOTE

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

Prepared by: ⁽³⁾ Bryce Wilson Date Prepared: ⁽⁴⁾ 3/17/21 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	\$2,717,815			
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u>\$2,717,815</u>			

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. This change applies to the 2019/20 recalculation of TEEOSA and has \$0 fiscal cost.

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. This change affects the 2020/21 certification and as a result of shifting needs between districts has a fiscal cost of \$2,717,815.

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 purpose of this bill is to correct the distribution of TEEOSA aid that is not as accurate as normal due to pandemic related data issues.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

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

Capital outlay.....	<hr/>	<hr/>
Aid.....	<hr/>	<hr/>
	\$2,717,815	
Capital improvements.....	<hr/>	<hr/>
TOTAL.....	<hr/>	<hr/>
	\$2,717,815	