

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

| ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates) | | | | |
|---|-------------------|---------|-------------------|---------|
| | FY 2013-14 | | FY 2014-15 | |
| | EXPENDITURES | REVENUE | EXPENDITURES | REVENUE |
| GENERAL FUNDS | \$6,525 | | \$4,890 | |
| CASH FUNDS | | | | |
| FEDERAL FUNDS | | | | |
| OTHER FUNDS | | | | |
| TOTAL FUNDS | \$6,525 | | \$4,890 | |

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

LB 323 establishes a seventeen member School Finance Review Committee to monitor the operation of the Tax Equity and Educational Opportunities Support Act and suggest needed revisions in the act. The committee is to meet at least once annually and may meet more often. An electronic report is required on or before July 1, 2014 and every two years thereafter.

The bill does not specify the agency in which the School Finance Review Committee will be housed for budgetary purposes nor the staffing for the committee. It is assumed the State Department of Education (NDE) will provide administrative support to the committee and budgetary resources. Committee members will be eligible for the reimbursement of necessary travel expenses pursuant to Section 81-1178.

The estimated fiscal impact for the reimbursement of expenses of twelve committee members is \$6,525 of general funds in FY2013-14, assuming quarterly meetings of the committee. Assuming three meetings in FY15, the estimated fiscal impact for committee member expenses is \$4,890 of general funds. It is assumed that NDE will use existing staff to assist the committee and any minimal operating expenses can be absorbed by the department within the existing budget.

| ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES | | |
|--|-----------------|---|
| LB: 323 | AM: | AGENCY/POLT. SUB: Department of Education |
| REVIEWED BY: Matthew Eash | DATE: 2/11/2013 | PHONE: 402-471-4175 |
| COMMENTS: LB 323 does not provide committee members compensation nor authorize any reimbursement for travel expenses to attend meetings. State employees serving as committee members, pursuant to state employment rules, may be entitled to travel costs beyond their local commuting distance, but assuming committee meetings would occur in Lincoln, no travel reimbursement for state employees would be likely. There is also no provision for a state agency to provide administrative support to the committee. No fiscal impact. | | |

| ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES | | |
|---|-----------------|---|
| LB: 323 | AM: | AGENCY/POLT. SUB: Department of Revenue |
| REVIEWED BY: Matthew Eash | DATE: 2/12/2013 | PHONE: 402-471-4175 |
| COMMENTS: Concur; no fiscal impact. | | |

Fiscal Impact to NDE: Unknown at this time. The bill does not address which agency or agencies will provide staff and resources for this Committee. If NDE will provide staff and resource for this Committee, the estimated cost for 2013 would be \$5,500 and the estimated cost for 2014 would be \$5,600. The dollar amount for 2013 is calculated assuming one meeting a year and \$322 as the average cost for a committee member multiplied by 17. The dollar amount for 2014 is calculated by increasing the 2013 amount by 3%.

To School Districts: There would be no fiscal impact to school districts from the creation of this Committee or the payment of expenses for the Committee to hold an annual meeting.

