

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2014-15		FY 2015-16	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS			\$3,800,000	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS			\$3,800,000	

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

LB 1068 changes the distribution of state aid through the Tax Equity and Educational Opportunities Support Act (TEEOSA) for school districts in a learning community beginning in FY2015-16. The bill also provides additional duties for the advisory committee to the learning community coordinating council.

TEEOSA Aid: Currently, state aid for the eleven school districts in Sarpy/Douglas counties in the learning community is calculated collectively. The combined formula needs of all the districts in the learning community are compared to the combined formula resources of all districts in the learning community to determine the amount of equalization aid for the school districts in the learning community. Each school district receives a proportional share of equalization aid based upon its share of total formula needs.

LB 1068 provides for state aid to be calculated separately for each school district in the learning community and then be allocated based upon a district's share of total formula needs. Based upon estimated state aid for FY15, the bill will increase state aid to schools in the learning community by about \$3.8 million in FY16.

Advisory Committee: The advisory committee to the learning community coordinating council which is made up of superintendent's from member schools is required to study and make recommendations to the Education Committee of the Legislature regarding the governance, common levy, school district boundaries, open enrollment and focus schools and programs. The report is required on or before December 31, 2014. It is assumed the advisory committee can handle the study and prepare the report using existing staff and resources of the learning community and member school districts.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 1068	AM:	AGENCY/POLT. SUB: Department of Education	
REVIEWED BY: Matthew Eash		DATE: 2/9/2014	PHONE: 402-471-4175
COMMENTS: Beginning with FY 2015-16, LB 1068 appears to eliminate the net reduction to the TEEOSA State Aid calculation that results from the re- distribution of aid among districts that are members of a Learning Community. It is not possible yet, under current law, to predict exactly the amount to be increased to total TEEOSA State Aid, but it would likely be \$3.0 – 4.0 million annually.			

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

2014

LB⁽¹⁾ 1068

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

NDE/School Finance & Organization Services

Prepared by: ⁽³⁾ Wilson/Inbody

Date Prepared: ⁽⁴⁾ January 24, 2014

Phone: ⁽⁵⁾ 1-3323

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2014-15</u>		<u>FY 2015-16</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 1068 would increase State Aid but the exact amount cannot be determined for the 2015/16 certification at this time. Learning Community State Aid would be calculated separately then combined and ran through the Learning Community calculation instead of resources being calculated all together. This difference would result in more state aid for the Learning Community since the districts in the Learning Community with more resources than needs would no longer lower the total amount of state aid going to the Learning Community.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2014-15</u>	<u>2015-16</u>
	<u>14-15</u>	<u>15-16</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____