

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2008-09		FY 2009-10	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$116,000		\$116,000	
CASH FUNDS	See Below		See Below	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 1141 requires students in exempt schools to be evaluated annually. The evaluation may be done by the Commissioner of Education, using a national standardized achievement evaluation or assessment tool. The bill provides for a parent or guardian to reimburse the State Department of Education (NDE) for the cost of an evaluation. Evaluations may be conducted by a designee of the Commissioner of Education.

If a parent opts not to have a child evaluated by the Commissioner using an achievement evaluation, the parent may submit a book of lesson plans, portfolio of the child's work, and completed assessment evaluations. These items are to be reviewed by a certificated person chosen by the parent who is approved by the Commissioner. The evaluator is to prepare an annual report showing the progress of the child which is to be submitted to the parent, school district of residence and NDE. Children who are not making sufficient progress as determined by an evaluation or progress report are to be enrolled in an accredited school at the beginning of the next school year unless other criteria in the bill are met.

There were 5,926 students in exempt schools in 2006-07. The bill requires either an annual evaluation using an achievement evaluation or a report of progress by a chosen evaluator for these students. It is assumed the language in the bill requires a parent to pay actual costs incurred for either method of evaluation chosen.

It is assumed NDE will need at least one additional FTE to coordinate and monitor the evaluation of exempt students. The estimated fiscal impact of an additional staff person and related operating expenses is \$116,000 of general funds in 2008-09 and 2009-10. It is also assumed NDE will contract with school districts or an outside vendor to provide evaluations and progress reports for exempt students. Parents will reimburse the department for such costs. The amount of increased cash fund expenditures for these contracts is unknown.

It is possible the bill may result in a slight increase in the number of children served in public schools, if students in exempt schools are not making sufficient progress and are required to enroll in another school. Any increase in public school attendance is projected to be minimal pursuant to the bill, so the impact on revenues and expenditures of affected districts will be insignificant.