

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.

LB523 amends several sections and adds the following to §79-10,120:

On and after the effective date of this act, the school board or board of education of any school district can create a special fund for purposes of:

- Major infrastructure updates on existing structures owned or leased by the school district, including: heating, ventilation, and air conditioning; roofs; safety requirements; and repairs
- The alteration, equipping, and furnishing of school buildings or teacherages
- The purchase or erection of buildings of less than twelve hundred square feet of floor space used exclusively for storage or utility purposes with a total value of less than one hundred thousand dollars

Any special fund established will be established from the proceeds of an annual tax levy, to be determined by the board, not to exceed fourteen cents on each one hundred dollars of taxable value in such school district. Such tax will be levied and collected in the same manner as other taxes levied for school purposes.

On and after the effective date of this act, the school board or board of education of any school district may, with the approval of the legal voters of such school district, establish a special fund for the purposes of:

- Acquiring sites for school buildings or teacherages
- Purchasing existing buildings for use as teacherages, including the sites upon which such buildings are located
- Purchasing or entering into a lease-purchase agreement for relocatable classroom buildings
- Erecting, purchasing, or entering into a lease-purchase agreement for a new school building or an addition to a school building for elementary or high school grades
- Completing any projects that require an annual tax levy that exceeds six cents on each one hundred dollars of taxable value of all taxable property in the district

Any special fund established will be established from the proceeds of an annual tax levy approved by the legal voters of the school district. Such tax will be levied and collected in the same manner as other taxes levied for school purposes.

The school board or board of education of each school district will submit for approval any proposed special fund and annual tax to be established to the legal voters of such school district at a general election or a special election held for such purpose. Such special fund and annual tax will not be established without the approval of a majority of the legal voters voting on the issue. The ballot language will include the maximum for such annual tax levy per one hundred dollars of taxable valuation and the purpose for which such fund will be used.

A school district or a joint public agency that includes a school district that has been delegated the authority to tax may continue an annual tax established prior to the effective date of this act through school fiscal year 2029-30 for any project commenced prior to the effective date of this act. Any annual tax continued will not exceed the amount needed annually to fund such project through school fiscal year 2029-30. The proceeds of any such annual tax will only be used for the project for which the tax was levied. Any tax authorized may exceed fourteen cents on each one hundred dollars of taxable value when combined with all other taxes imposed.

On or before October 1, 2021, the school board or board of education of any school district that levied an annual tax for school fiscal year 2020-21 will file with the Auditor of Public Accounts a statement describing any projects for which an annual tax may be continued, the rate levied for school fiscal year 2020-21 attributable to each such project, and the anticipated completion date for each such project.

The proceeds of any annual tax imposed will be kept separate and apart from other school district funds, except that such proceeds may be combined with amounts levied and collected under §79-1098 to §79-10,101 for the same project.

The Fiscal Impact would be with the school districts and cannot be determined at this time.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB:	523	AM:	AGENCY/POLT. SUB: Department of Education
REVIEWED BY:	Gary Bush	DATE:	1/29/21 PHONE: (402) 471-4161
COMMENTS: Agree with the agency's estimate of no fiscal impact to the agency			
NOTE: This comment is on the agency's corrected fiscal note..			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB:	523	AM:	AGENCY/POLT. SUB: State Treasurer
REVIEWED BY:	Gary Bush	DATE:	2/3/21 PHONE: (402) 471-4161
COMMENTS: Agree with the agency's estimate of no fiscal impact to the agency.			

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

2021

LB⁽¹⁾ 523

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ State Treasurer

Prepared by: ⁽³⁾ Jason Walters Date Prepared: ⁽⁴⁾ January 27, 2021 Phone: ⁽⁵⁾ 402-471-2793

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:

The State Treasurer's Office doesn't expect any fiscal impact from LB 523 to the office.

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.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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

2021

LB⁽¹⁾ 523

FISCAL NOTE

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

Prepared by: ⁽³⁾ Bryce Wilson Date Prepared: ⁽⁴⁾ 1/21/21 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 523 limits the uses and taxing amount in the building fund used by schools for purchasing land or buildings, construction or other infrastructure projects.

This bill would require a school district to have a vote of their patrons to be able to use the building fund for purchasing land or buildings, building facilities larger than twelve hundred square feet used for anything other than storage or utility purposes or work on current facilities if a levy exceeding six cents is required. With a successful vote districts would be allowed to tax up to fourteen cents in the building fund for these purposes.

The building fund would still be able to be used for infrastructure updates on current buildings or facilities up to six cents without going to a vote of the patrons.

No fiscal impact to NDE or the State. Some school districts may not have the ability to maintain current facilities or update facilities if this bill is passed.

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.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____