

PREPARED BY: Bill Biven, Jr.
 DATE PREPARED: March 09, 2023
 PHONE: 402-471-0054

LB 522

Revision: 00

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2023-24		FY 2024-25	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$19,866,352		\$19,604,969	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$19,866,352		\$19,604,969	

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

LB522 amends §79-1007.06 to change provisions relating to poverty allowances.

The per-student amount used in the poverty allowance calculation is changed to a weighted amount of 1.33 to address the additional personnel, resources, & programs that every school in Nebraska provides to support students' needs. If the poverty allowance expenditures do not equal one hundred ten percent or more of the poverty allowance for the most recently available complete data year, a correction will be calculated based off of the current year.

EXPENDITURES:

Increasing the Poverty Allowance from 1.00 to 1.33 within the Tax Equity and Educational Opportunities Support Act (TEEOSA) calculation produced the following results:

	Current TEEOSA Amounts:	LB522 TEEOSA Amounts:	Difference:
FY2023-24	\$1,080,392,260	\$1,100,258,612	\$19,866,352
FY2024-25	\$962,525,877	\$982,130,846	\$19,604,969
FY2025-26	\$978,651,485	\$992,802,808	\$14,151,323
FY2026-27	\$1,000,666,912	\$1,014,178,145	\$13,511,233

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 522	AM: AGENCY/POLT. SUB: Nebraska Department of Education
REVIEWED BY: Gary Bush	DATE: 1/25/23 PHONE: (402) 471-4161
COMMENTS: No basis to disagree with the estimated impact on TEEOSA school aid.	

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

2023

LB⁽¹⁾ 522

FISCAL NOTE

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

Prepared by: ⁽³⁾ Bryce Wilson Date Prepared: ⁽⁴⁾ 3/9/23 Phone: ⁽⁵⁾ 402-471-4320

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2023-24</u>		<u>FY 2024-25</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>(\$2,000,000)</u>	<u> </u>	<u>(\$2,000,000)</u>	<u> </u>
CASH FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
FEDERAL FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
OTHER FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>(\$2,000,000)</u>	<u> </u>	<u>(\$2,000,000)</u>	<u> </u>

Explanation of Estimate:

LB 522 changes the per student weighed amount of funding used to calculate the poverty allowance from the statewide average general fund operating expenditure to 1.33 times the statewide average general fund operating expenditure. The overall state impact is an increase in the Poverty allowance of around \$10 million.

The increase in the Poverty allowance causes an overall decrease in TEEOSA since increasing allowances reduces basic funding which is used to calculate several other components in the TEEOSA formula.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2023-24</u>	<u>2024-25</u>
	<u>23-24</u>	<u>24-25</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Operating.....	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Travel.....	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Capital outlay.....	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Aid.....	<u> </u>	<u> </u>	<u>(\$2,000,000)</u>	<u>(\$2,000,000)</u>
Capital improvements.....	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL.....	<u> </u>	<u> </u>	<u>(\$2,000,000)</u>	<u>(\$2,000,000)</u>