

PREPARED BY: Sandy Sostad
 DATE PREPARED: February 03, 2009
 PHONE: 471-0054

LB 578

Revision: 00

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2009-10		FY 2010-11	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

LB 578 requires a school district to annually expend on teacher salaries and benefits, a percentage of state aid received that is equal to a district's annual budget for such salaries and benefits. State aid is defined to be aid pursuant to the Tax Equity and Educational Opportunities Support Act (TEEOSA) and state apportionment, which are aid programs in Chapter 79, article 10.

The bill has no fiscal impact for the state in terms of increased state aid in the future pursuant to the required spending on teacher salaries and benefits. School districts deposit state aid and state apportionment receipts into the school district General Fund along with property tax receipts and other resources. The funds are co-mingled and not expended for specific identifiable purposes. Since the multiple fund sources are blended in the General Fund, it is assumed that expenditures for teacher salaries and benefits from the General Fund are expended proportionately from all the revenue sources. School districts may have to set up accounting procedures to track the expenditures of state aid and state apportionment to comply with the provisions of the bill.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	William Scheideler	DATE	2/6/09	PHONE	471-2526
COMMENTS					
DEPT. OF EDUCATION – Generally concur with agency. Such a requirement may result in additional time and effort for accounting staff and under certain fiscal circumstances produce problematic constraints that prevent a board from acting in the best overall interest of the district.					