

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2010-11		FY 2011-12	
	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 1021 is the High School Activities Association Act. The intent of the bill is to provide a governing structure by which an association governing state high school activities shall provide administration, management, enforcement, and interpretation of public policy pertaining to high school students. The bill establishes a governing structure for the association which includes a board of directors, six district managing committees, a representative assembly, six district committees on appeals and an association appeals board. Each of these entities is required to meet at least two times per year. Elected members of the board of directors, managing committees, district committees on appeal and the association appeals board are eligible for the reimbursement of expenses. The operative date of the bill is August 1, 2011.

The existing high school activities association does not currently have the governing structure which is established in the bill. It operates primarily with a board of control and a representative assembly. It is assumed that the reimbursement of expenses for elected members of the newly established district managing committees, district committees on appeals and association appeals board will increase the expenditures of the association by an unknown amount, depending upon the number of meetings and expenses. Since the association is primarily funded by fees paid by school districts and funds received from district and state events, it is possible school district fees could be minimally increased to cover increased expenses.

The board of directors includes one member of the State Board of Education, the Commissioner of Education and the Speaker of the Legislature, or his or her designee. It appears that NDE and Legislature, rather than the association, are responsible for the reimbursement of expenses for board meetings of these three individuals since they are appointed rather than elected by members of the board of directors. If so, there will be increased annual general fund expenses for the Legislature of about \$1,000 and for the State Department of Education of an estimated \$2,000. It is assumed these entities can handle the minimal increase in expenses with existing budgetary resources.

Section 6 of the bill provides that the Attorney General (AG) will institute a proceeding to enforce forfeiture of the right of an association to do business in the state if it violates the provisions of the act. The State Department of Education (NDE) is to then designate another organization or entity to govern high school activities and allocate funds and assets from the association to the newly designated entity and member school districts. If necessary, it is assumed that the AG and NDE can handle these responsibilities with existing staff and resources.