

PREPARED BY: Sandy Sostad  
 DATE PREPARED: February 08, 2018  
 PHONE: 471-0054

**LB 1077**

Revision: 00

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2018-19</b>		<b>FY 2019-20</b>	
	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.**

LB 1077 eliminates levy limitations for school districts. The levy limit for school districts is currently set at \$1.05, with a few exclusions and provisions for paying back bonds.

Property Tax Impact: The elimination of the \$1.05 levy limitation will have an undeterminable fiscal impact on the amount of property taxes levied by school districts beginning in FY2018-19. There are currently 26 school districts that have levies for the general fund and building funds which are at or above \$1.05. These districts combine to levy about 48% of the total property taxes collected in the state. The elimination of the levy cap may result in higher tax collections by some school districts depending upon decisions made by local school boards.

State Aid Impact: If school districts opt to increase the amount of property taxes levied and expend at a higher level, then state aid provided through the Tax Equity and Educational Opportunities Support Act may increase two years after the increase in spending occurs.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 1077	AM:	AGENCY/POLT. SUB: Department of Education	
REVIEWED BY: Gary Bush	DATE: 01/24/18	PHONE: <a href="tel:4024714161">(402) 471-4161</a>	
COMMENTS: No basis to disagree with the estimate of cost to the Department of Education. Agree there is a potential to increase in state funding of TEEOSA as school district resources increase that could lead to increased spending.			

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

**2018**

**LB<sup>(1)</sup> 1077**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Dept of Education

Prepared by: <sup>(3)</sup> Bryce Wilson Date Prepared: <sup>(4)</sup> 1/18/18 Phone: <sup>(5)</sup> 402-471-4320

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2018-19</u>		<u>FY 2019-20</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 1077 eliminates levy limits for school districts. Schools are currently held to a maximum levy of \$1.05 for everything except paying back bonds and a few other small levy exclusions. This bill also changes the freeholding requirements to exceeding \$1.05 levy instead of having a levy override.

There potentially could be impact to the state if school district spending increased which could cause an increase in TEEOSA. No fiscal impact to NDE.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2018-19</u>	<u>2019-20</u>
	<u>18-19</u>	<u>19-20</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____