

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2008-09		FY 2009-10	
	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 1023 eliminates the 1.5 cent levy authority of an educational service unit which has a member school district that is also a member of a learning community. Currently two ESU's, ESU #3 and ESU #19, have school districts that are members of a learning community.

The fiscal impact of the bill will be a loss of property tax revenue for the two ESU's beginning in 2008-09. The following chart shows data from the 2007 Certificate of Taxes Levied report regarding the taxable value and taxes levied by the two ESU's impacted by the bill.

ESU #3			ESU #19		Total
	<u>Taxable Value</u>	<u>2007 Taxes Levied</u>	<u>Taxable Value</u>	<u>2007 Taxes Levied</u>	
County					<u>Revenue Loss</u>
Cass	1,714,818,899	279,379			279,379
Dodge	22,149,175	3,609			3,609
Douglas	16,294,144,005	2,654,316	17,635,868,320	2,645,380	5,299,696
Otoe	11,191,959	1,823			1,823
Sarpy	9,169,743,509	1,493,751	800,778,409	120,117	1,613,868
Washington	<u>1,615,619,369</u>	<u>263,217</u>			<u>263,217</u>
	28,827,666,916	4,696,095	18,436,646,729	2,765,497	7,461,592

State aid to ESU's will remain unchanged pursuant to the bill because the formula will still base aid upon adjusted valuations even though the two ESU's are no longer able to levy taxes on such valuation.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Lyn Heaton	DATE	2/15/08	PHONE	471-2526
COMMENTS					
NEBRASKA DEPARTMENT OF EDUCATION: Concur. No fiscal impact to the Department of Education.					