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 DATE PREPARED: February 05, 2007  
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**LB 230**

Revision: 00

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2007-08		FY 2008-09	
	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 230 defines students for purposes of freeholding tracts of land and required school district reorganizations to mean resident students. Resident students are calculated by subtracting option students, foreign exchange students and wards of the court or state from average daily membership.

The bill may result in more tracts of land being transferred between school districts due to a lower student threshold used to determine when freeholding may occur. The transfer of land between school districts will change the valuation of the districts involved in the transfer and possibly the students served by the districts which may impact the revenues and expenditures of the affected schools.

The provisions of the bill redefining students for purposes of thresholds used to determine when a reorganization of a Class II or Class III school district into a Class I district is to occur may increase reorganizations in the near future due to the lower student threshold. Reorganizations impact the revenue and expenditures of affected school districts. No fiscal impact can be determined.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	William Scheideler	DATE	2/9/07	PHONE	471-2526
COMMENTS					
DEPT. OF EDUCATION – Concur.					