

PREPARED BY: Bill Biven, Jr.
 DATE PREPARED: February 22, 2021
 PHONE: 402-471-0054

LB 651

Revision: 00

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2021-22		FY 2022-23	
	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.

LB651 amends §79-236 by providing a termination date of July 1, 2022 for the enrollment option program.

The Fiscal Impact cannot be determined at this time but will have an impact on school districts as it is a component of the TEEOSA formula used for calculating State Aid.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB:	651	AM:	AGENCY/POLT. SUB: Nebraska Department of Education
REVIEWED BY:	Gary Bush	DATE:	1/2921 PHONE: (402) 471-4161
COMMENTS: Agree with the agency that the fiscal impact cannot be determined at this time. The it is likely that eliminating Option Enrollment would shift equalization aid between school districts and could cause more school districts to become equalized.			

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

2021

LB⁽¹⁾ 651

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ NE Dept of Education

Prepared by: ⁽³⁾ Bryce Wilson/Michelle Cartwright

Date Prepared: ⁽⁴⁾ 1/22/21

Phone: ⁽⁵⁾ 402-471-4320

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2021-22</u>		<u>FY 2022-23</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:

If LB651 passes in its current form, the Enrollment Option Program would end on July 1, 2022. This would remove the Net Option Funding calculation in State Aid.

The fiscal impact cannot be determined as students would move between districts which would save net option funding but could also increase equalization aid to many districts. There could also be savings to the State if more students chose private/parochial schools instead of attending their resident district.

The amount allotted to net option funding for the 2020/21 school year is \$116,432,806 or 11% of the overall State Aid calculation much of which is offsetting equalization aid so it would not result in that much savings to the state.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22 EXPENDITURES</u>	<u>2022-23 EXPENDITURES</u>
	<u>21-22</u>	<u>22-23</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____