

PREPARED BY: Bill Biven, Jr.  
 DATE PREPARED: February 22, 2023  
 PHONE: 402-471-0054

**LB 550**

Revision: 00

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2023-24</b>		<b>FY 2024-25</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	See below		See below	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below		See below	

**Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.**

LB550 amends several sections to change, eliminate definitions, & provisions relating to the enrollment option program.

LB550 removes the timeframe for which a family can apply & reduces the response time that the district has from sixty days to ten days. Students will now have the ability to use the program more than once during their K-12 education. School districts also lose the ability to set acceptance & transportation standards concerning the program.

LB550 eliminates the Open Enrollment Option program for students who reside within the Learning Community of Douglas & Sarpy County.

**EXPENDITURES:**

Removing the district's ability to set standards for the program could cause severe financial burdens on them if they have exceeded what the district can handle or what they have budgeted for that particular school year.

Enrollment option students are a factor in the calculation of the Tax Equity & Educational Opportunities Support Act (TEEOSA). School districts that have a net number of students in their enrollment option program will receive funding from the state whether they are an equalized or unequalized school district.

The fiscal impact cannot be determined at this time.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB:	550	AM:	AGENCY/POLT. SUB: Nebraska Department of Education
REVIEWED BY:	Gary Bush	DATE:	1/30/23
		PHONE:	(402) 471-4161
COMMENTS: No basis to disagree with the fiscal impact provided by the agency.			

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

**2023**

**LB<sup>(1)</sup> 550**

**FISCAL NOTE**

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

Prepared by: <sup>(3)</sup> Bryce Wilson/Michelle Cartwright Date Prepared: <sup>(4)</sup> 1/26/23 Phone: <sup>(5)</sup> 402-471-4320

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

	<u>FY 2023-24</u>		<u>FY 2024-25</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>

**Explanation of Estimate:**

LB550 proposes to allow a student to utilize the enrollment option program unlimited times and into any district, eliminating the one-use rule and deadlines to submit an application. Districts will lose the ability to set standards for acceptance and charge a fee for transportation. The open enrollment option will also be eliminated for students who reside in a Learning Community.

Changes to LB550 would eliminate the district’s ability to create standards setting capacity limits to programs and class sizes. This could cause a financial burden to the district if additional resources are not provided. In addition, if class sizes are exceeded the availability of staff could cause a lack of learning opportunities and programs for students.

This change would likely impact TEEOSA but the amount cannot be determined at this time. No fiscal cost to NDE.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2023-24</u>	<u>2024-25</u>
	<u>23-24</u>	<u>24-25</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
<b>TOTAL.....</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>