

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2024-25</b>		<b>FY 2025-26</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
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.**

LB841 creates the School Leadership Engagement Act.

Beginning in FY2025-26, an administrator in an approved or accredited public, private, denominational, or parochial elementary school, middle school, high school, or alternative school will spend a minimum of fifteen percent of their work time during the school year participating directly in school engagement activities.

Beginning August 1, 2026, & each August 1 thereafter, the superintendent of each district or the head administrator of a private, denominational, or parochial school, in collaboration with each other administrator at an approved or accredited public elementary school, middle school, high school, or alternative school in that superintendent's district or with each other administrator within the head administrator's private, denominational, or parochial school, will submit a report to the Nebraska Department of Education (NDE) & the Education Committee of the Legislature relating to the immediately preceding school year. The report to the Education Committee of the Legislature will be delivered electronically & will be made available to the public on the school district's or school's website.

The School Leadership Engagement Act will terminate on August 1, 2029.

**EXPENDITURES:**

School districts could incur additional costs to meet the provisions of LB841 but that cannot be determined at this time.

Salary expenses are factored into the Tax Equity & Educational Opportunities Support Act (TEEOSA) calculation so changes could occur but those cannot be determined at this time.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>				
LB:	841	AM:	AGENCY/POLT. SUB: Nebraska Department of Education	
REVIEWED BY:	Gary Bush	DATE:	2/9//24	PHONE: (402) 471-4161
COMMENTS: Disagree with the agency that the fiscal impact cannot be determined. There would be no cost to agency. There could be costs to the school districts and it is that cost that is difficult to determine without input from the districts.				

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>				
LB:	841	AM:	AGENCY/POLT. SUB: Omaha Public Schools	
REVIEWED BY:	Gary Bush	DATE:	1/17/24	PHONE: (402) 471-4161
COMMENTS: Disagree with the estimate provided by Omaha Public Schools. The assumption appears to be that the requirement to focus 15% of an administrator's work time on school engagement activities results in the need to hire a new administrator is not reasonable. The General Fund fiscal impact is not state General Funds, but the district's operating general fund. Additionally, after two years, the increased costs, if any, would be added to the district's "Needs" within the TEEOSA school aid formula. Since Omaha Public School is an equalized district, it would receive more state aid to offset the increased needs caused by the provisions of the bill. The district would also need to increase property taxes.				

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

**2024**

**LB<sup>(1)</sup> 841**

**FISCAL NOTE**

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

Prepared by: <sup>(3)</sup> Lane Carr Date Prepared: <sup>(4)</sup> 2.7.24 Phone: <sup>(5)</sup> 402.419.3012

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

	<u>FY 2024-25</u>		<u>FY 2025-26</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:**

LB841 establishes the School Leadership Engagement Act and requires school leaders (superintendents, principals, assistant principals and others in supervisory personnel) to spend a specified amount of time in "school engagement activities." The fiscal impact cannot be determined.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25</u>	<u>2025-26</u>
	<u>24-25</u>	<u>25-26</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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

**2024**

**LB<sup>(1)</sup> 841**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Omaha Public Schools

Prepared by: <sup>(3)</sup> Bryan Kline Date Prepared: <sup>(4)</sup> 1/10/2024 Phone: <sup>(5)</sup> 531-299-8983

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

	<u>FY 2024-25</u>		<u>FY 2025-26</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$0		\$7,800,000	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

**Explanation of Estimate:**

It is anticipated that additional 44 administrators, 15% more, would need to be hired to offset the proposed statutory requirement that certificated administrators reallocate 15% of their time to school engagement activities.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25</u>	<u>2025-26</u>
	<u>24-25</u>	<u>25-26</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Certificated Administrator		44	\$0	\$5,800,000
Benefits.....			\$0	\$2,000,000
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				