

PREPARED BY: Bill Biven, Jr.
 DATE PREPARED: January 23, 2025
 PHONE: 402-471-0054

Revision: 00

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2025-26		FY 2026-27	
	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.

LB249 amends several sections to provide for military impact funding & change the provisions relating to local system formula resources & certain certification dates under the Tax Equity & Educational Opportunities Support Act (TEEOSA).

For school year 2025-26 & each school year thereafter, the Nebraska Department of Education (NDE) will determine the military impact funding to be paid to each school district.

A district will receive military impact funding, if the district received a basic support payment of federal impact aid under §7003 of the federal Elementary & Secondary Education Act of 1965 in the school year immediately preceding the school year for which the aid is to be calculated & that district provides free public education to federally connected children whose parents are on active duty in the uniformed services.

A district's military impact funding will be zero if the amount calculated produces a negative result.

For state aid calculated for school year 2025-26 & each school fiscal year thereafter, local system formula resources will include: other actual receipts, net option funding, allocated income tax funds, community achievement plan aid, a percentage of foundation aid, & military impact funding, & is then reduced by the amounts paid by the district in the most recently available complete data year as property tax refunds.

Since an emergency exists, this bill will take effect when passed & approved according to law.

FISCAL IMPACT:

The needed data that is used in LB249 is not currently available so there is no way to determine the fiscal impact to the state at this time.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 249	AM:	AGENCY/POLT. SUB: Nebraska Department of Education	
REVIEWED BY: Kimberly Burns	DATE: 01/22/2025	PHONE: (402) 471-4171	
COMMENTS: Agree with Nebraska Department of Education's assessment of the impact LB 249 will have on equalization aid in equalized districts. The agency's estimate of indeterminate impact from LB 249, without additional information, seems reasonable at this time.			

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

2025

LB⁽¹⁾ 249

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Department of Education

Prepared by: ⁽³⁾ Bryce Wilson Date Prepared: ⁽⁴⁾ 1/22/25 Phone: ⁽⁵⁾ 402-471-4320

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2025-26</u>		<u>FY 2026-27</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:

LB 249 provides military impact funding for districts that have federally connected children and also receive impact aid under section 7003 of the federal Elementary and Secondary Education Act of 1965.

If the impact aid funding per federally connected child is less than the per pupil general fund tax levy per student, the district will receive the difference multiplied by the number of federally connected children as military impact aid funding.

Impact aid funding will be counted in resources when equalization aid is determined for each district causing a dollar-for-dollar reduction in equalization aid for equalized districts.

Fiscal impact cannot be determined at this time since impact aid is sent directly to school districts and NDE does not have the necessary information to calculate military impact aid funding.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____