

PREPARED BY: Sandy Sostad  
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 PHONE: 471-0054

**LB 1095**

Revision: 00

**FISCAL NOTE**

LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *</b>				
	<b>FY 2010-11</b>		<b>FY 2011-12</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
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 1095 repeals the provision of state aid funds to learning communities through the formula used to allocate aid to educational service units (ESU's). Current law provides for learning communities to receive a student allocation in the ESU distribution formula. The number of adjusted students used in the ESU aid distribution formula includes 50% of the membership of school districts that are in a learning community. The other 50% of the membership is used to calculate a student allocation for a learning community. Adjusted valuations used in the formula are also reduced accordingly. LB 1095 eliminates these provisions in the aid formula.

The change will shift aid funds from the learning community to ESU's #3 and #19, which include school districts that are members of a learning community, beginning in 2010-11. The total amount of state aid allocated for ESU's pursuant to the bill is unchanged. In the current year, 2009-10, state aid to the learning community through the ESU formula is \$1,628,071. It is assumed the bill will decrease funding for the learning community by approximately \$1.6 million in 2010-11 and each year thereafter and increase aid funding to ESU's #3 and #19 by a like amount.