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PREPARED BY: Sandy Sostad
DATE PREPARED: January 11, 2012
PHONE: 471-0054

LB 763

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *

	FY 2012-13		FY 2013-14	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
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 763 amends the Tax Equity and Educational Opportunities Support Act (TEEOSA) to eliminate an elementary site allowance in the final calculation of state aid for any elementary site where school was not held for the full school year for which the final calculation of state aid is being completed. The bill also allows land owners in the attendance area of the elementary site to petition prior to June 1st to have the land attached to a contiguous school district. School districts must take public action by May 1st to cease holding school at affected elementary sites and notify the State Department of Education of such action.

The change in calculating state aid to exclude the elementary site allowance in the final calculation of state aid when a district closes an elementary site may change the distribution of state aid by a minimal amount, assuming a small number of elementary site closures each year. The elimination of an allowance for a school district increases basic funding which may result in a redistribution of state aid to other districts or a change in total state aid provided.

The provisions of the bill allowing land owners to freehold to another district will impact the revenue and expenditures of affected school districts depending upon property and student transfers.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Matt Eash	DATE	1/13/12	PHONE	471-2526
COMMENTS					
NEBRASKA DEPARTMENT OF EDUCATION: Concur.					

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LEGISLATIVE FISCAL

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LB(1) 763 FISCAL NOTE

State Agency OR Political Subdivision Name: (2) NDE/School Finance & Organization Services

Prepared by: (3) Russ Inbody Date Prepared: (4) 1-12-12 Phone: (5) 402-471-4320

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2012-2013</u>		<u>FY 2013-2014</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

This bill appears to add another circumstance when tax payers can freehold their land (move from one district to another school district). If the current school district closes an attendance center and the school district received an elementary site allowance, in the State Aid formula, in the previous or current year for that attendance center then the taxpayer could freehold.

Under the provisions of this Bill the school district would not receive the elementary site allowance in the final calculation of State Aid if school was not held at the elementary site the previous year.

This Bill also provides timelines for the closure of an elementary site and for the district to be eligible for the elementary site allowance.

Although the fiscal impact is unknown if school districts would not qualify for the elementary site allowance it may cause a redistribution of aid to school districts and possibly impact the total state aid paid out to all school districts.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2012-2013 EXPENDITURES</u>	<u>2013-2014 EXPENDITURES</u>
	<u>12-13</u>	<u>13-14</u>		
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	=====	=====	=====	=====