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PREPARED BY:
DATE PREPARED:
PHONE:

Sandy Sostad
February 02, 2012
471-0054

LB 1105

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 1105 changes various provisions relating to education.

Section 3 eliminates provisions requiring the State Department of Education (NDE) to reimburse option school districts for transportation expenses paid to parents of option students. School districts are still responsible to reimburse the parents of option students for eligible expenses.

Current law provides for the state payment to be prorated if insufficient funding is available to pay all of the claims each year. The state has not provided any funding for option transportation payment since FY2001-02. The state provided \$228,565 of general funds for option transportation claims in FY02. The bill eliminates state aid for this purpose. No savings is projected in FY13 and FY14, since no appropriation has been authorized for option transportation aid.

Section 5 changes the calculation of the student growth adjustment in the state aid formula (TEEOSA) to use full membership rather formula students in the calculation. NDE indicates the change makes the factors used in the calculation consistent so the student growth adjustment can be calculated correctly.

Section 6 removes an exclusion from the budget limitation for school districts for expenditures to pay another district for the transfer of land from a district. The exclusion has not been used in the past, so the elimination of the exclusion is not projected to have a fiscal impact for schools.

Section 9 broadens language allowing educational service units to contract to provide services. Language allowing ESU's to contract with political subdivisions is changed to allow an ESU to contract with public agencies. The change will impact the revenue and expenditures of ESU's that contract with public agencies, other than political subdivisions.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Matthew Eash	DATE	2/3/12	PHONE	471-2526
COMMENTS					
NEBRASKA DEPARTMENT OF EDUCATION: Concur.					

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LEGISLATIVE FISCAL

2012

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

LB⁽¹⁾ 1105 FISCAL NOTE

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

Prepared by: (3) Bergquist, Eret Date Prepared: (4) January 24, 2012 Phone: (5) 402-471-0526

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2012-2013		FY 2013-2014	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
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:

The bill has the Emergency Clause. This is the housekeeping bill for the Department of Education. The bill will add clarifying language for an option student to re-option due to a relocation or merger, strike the language requiring school districts to file applications and cancellations with the Department of Education and will repeal the requirement for NDE to reimburse school districts for enrollment option transportation. The bill will also replace formula students with fall membership for the calculation of the Student Growth Adjustment and will delete duplicate language that allows school systems to file a request for a correction of the non-adjusted valuation due to changes in the tax list that change the assessed value of taxable property. The bill also will repeal the expenditure exclusion for the transfer of land between school districts. The bill will change the phrase "mentally retarded" to "intellectually disabled" and the bill will clarify language in role and mission of ESU's. The bill limits distance education equipment reimbursements to school district and ESU applications that are received on or before July 1, 2013. The final section of the bill will provide clarifying language for easier interpretation by ESUs and school districts.

FISCAL IMPACT:

To NDE: None

To Political Subdivisions: None.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

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