

*MSD*

PREPARED BY: Sandy Sostad  
DATE PREPARED: February 21, 2012  
PHONE: 471-0054

**LB 989**

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 989 provides the authority for school districts to exceed the property tax levy limitation and the budget spending limitation for expenditures to fund programs of 21<sup>st</sup> Century Community Learning Centers. The bill defines a 21<sup>st</sup> Century Community Learning Center to be a public elementary or secondary school that participates in a community-based effort to coordinate and integrate educational, developmental, family, health and other comprehensive services through community-based organizations and public and private partnerships. A community learning center provides access to services to students, families and the community during the school year and the summer, including before-school and after-school hours.\*

The State Department of Education (NDE) indicates the state receives \$5,633,483 of federal Title IV-B funds for 21<sup>st</sup> Century Community Learning Centers in FY2011-12. The state allocates 95% of the funds (\$5,371,190) to school districts for learning center programs. There are 114 sites funded in the state. School district sites receive funding on a competitive basis with the original grant running for a five year period. After five years, another grant, in the amount of 50% of the original grant may be applied for if a 100% match is provided by a school district. These grants may only run another five years. Presently, no additional grant funding is available for a site after ten years. In the next two years, several of the sites will reach the end of the ten year grant cycle.

The bill allows school districts additional levy authority for 21<sup>st</sup> century community learning center programs and also additional spending authority beginning in FY2012-13. It is unknown which school districts may opt to increase their property tax levy or spending pursuant to the bill. The bill will have a fiscal impact in terms of increased property tax revenue and expenditures, if school districts increase levies to fund community learning center programs. There will also likely be an increase in state aid (TEEOSA), two years after a spending increase occurs, if a district is equalized.

Currently, federal grant fund expenditures are excluded from the budget limitation but other non-federally funded expenditures by school districts to run community learning center programs are included under the lid. The bill allows all existing non-federal expenditures by school districts for 21<sup>st</sup> century community learning centers to be excluded from the budget limitation. NDE does not have information showing the total amount of funding, in addition to federal grant funds, that is provided by school districts for 21<sup>st</sup> century community learning centers, so the potential increase in spending authority is unknown. The exclusion of these expenditures from the spending limitation allows school districts to increase spending by the amount of the exclusions, thus increasing state aid, two years later.

\*This fiscal note assumes the bill applies only to school districts which have participated in the 21<sup>st</sup> Century Community Learning Center federal grant program. If this is not the intent of the bill, then the fiscal impact, in terms of increased TEEOSA aid in the future, may be more significant because the definition in the bill of community learning centers may allow other programs and services offered by school districts to be considered as community learning center services.

RECEIVED

JAN 19 2012

2012

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

LB<sup>(1)</sup> 989 FISCAL NOTE

LEGISLATIVE FISCAL

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

Prepared by: (3) Russ Inbody Date Prepared: (4) January 18, 2012 Phone: (5) (402) 471-4320

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:

This bill would exclude expenditures for 21st Century Community Learning Centers from the \$1.05 per \$100 of valuation levy limitation and also be excluded from the expenditure limitation. The bill defines 21st Century Community Learning Center to be a public elementary or secondary school that participates in a community-based effort to coordinate and integrate educational, developmental, family, health, and other comprehensive services through community-based organizations and public and private partnerships and provides access to such services to students, families, and the community, such as access during the school year, including before-school and after school hours, and during the summer.

The fiscal impact of this bill is unknown as the number of districts taking advantage of the provisions in this bill is unknown.

If school district expenditures would increase as a result of this bill TEEOSA aid may also increase two years later.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

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