

7/10/12

PREPARED BY: Sandy Sostad
DATE PREPARED: February 08, 2012
PHONE: 471-0054

LB 1045

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 1045 allows a school board to approve expenditures, contracts or obligations in excess of or in violation of existing statutory limitations for emergency management purposes in the event of a disaster or emergency. A majority vote of the school board is required and a certificate of a city, village, county or emergency management director must be obtained to show the necessity of the action.

School districts may need to levy additional property taxes to fund increased spending in the event of emergencies. Any increased school spending pursuant to the bill may increase state aid, two years after the spending increase occurs.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Matthew Eash	DATE	2/16/12	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⁾ 1045 FISCAL NOTE

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

Prepared by: (3) Bergquist, Eret Date Prepared: (4) January 23, 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:

LB1045 appears to authorize Class I, II, III, IV, or VI school boards to make emergency expenditures regardless of existing statutory limitations and requirements in the event of a disaster or emergency. Class V school districts are excluded from the provisions of this bill. A majority vote of the board of education is required to authorize the emergency expenditure. The vote to approve the emergency expenditures may not be made unless a city, village, county or interjurisdictional emergency management director under Emergency Management Act has issued a certificate indicating the expenditures are necessary in the public interest for emergency management purposes.

The bill defines disaster and emergency as any event or imminent threat causing widespread or severe damage, injury, or loss of life or property resulting from a natural or manmade cause.

These actions may cause district to exceed certified budget authority to make the expenditures for repairs or related costs, exceed levy limits in subsequent years to repay loans, and enter into contracts without the required bid letting process.

The fiscal impact would be additional cost to the school districts which may cause an increase in property taxes.

If costs increase at the local level state aid to schools may increase two years later. The actual fiscal impact would depend on the number of school districts that would "qualify" for these provisions and cannot be calculated at this time.

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.....

_____	_____
_____	_____
_____	_____

LB⁽¹⁾ 1045 FISCAL NOTE (continued)

Fiscal Impact:

To NDE: None. An increase in school district expenditures in the year of the disaster or emergency may increase the amount of State General Funds needed to fund state aid for the years the increased expenditures become part of the calculation of State Aid.

To School Districts: An increase in expenditures may generate an increase in the amount of State Aid for the affected school districts. However, the fiscal impact of this bill is dependent on the severity of the disaster or emergency and the expenditure(s) cannot be estimated at this time.