

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2013-14		FY 2014-15	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	See Below		See Below	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB 645 changes the calculation of the teacher education allowance in the formula used to compute state aid to education pursuant to the Tax Equity and Educational Opportunities Support Act (TEEOSA) beginning in FY2013-14. The State Department of Education (NDE) is required to collect additional information on the fall personnel report to include salaries, years of experience, benefits, certificate levels, degree levels, and hours of postsecondary education for certificated employees. The salary, benefits, years of experience and education level of paraprofessionals is also required to be collected by the bill.

Teacher Education Allowance: The allowance is to be computed based upon the weighted number of certificated teachers assigned to teach in the subject area or field of their degree. The weighted amount for each teacher is determined based upon the degree obtained and the amount of additional credit hours of postsecondary education. The teacher education allowance for each school is based upon the weighted count for the district times, \$25 million divided by the total weighted teacher count for the state.

Under current law, the teacher education allowance is estimated to be about \$25 million in FY2013-14. So, the bill does not change the overall amount of the allowance. It is assumed the bill will increase the number of school districts eligible for the allowance and also change the amount of allowance for school districts currently eligible for the allowance.

Data on certificated employees needed to calculate the weighted number of teachers for a district is not currently collected by NDE, so the actual fiscal impact cannot be determined. The bill will result in a shift in state aid between school districts. However, it is probable the change in the allowance will affect basic funding which may increase or decrease state aid by an undeterminable amount. The methodology used to calculate the teacher education allowance also freezes the total amount of the allowance at \$25 million for future years.

Data Collection: NDE indicates there will be increased expenditures of an unknown amount to collect the required information on certificated staff and paraprofessionals.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 645	AM:	AGENCY/POLT. SUB: Department of Education	
REVIEWED BY: Matthew Eash		DATE: 2/7/2013	PHONE: 402-471-4175
COMMENTS: Because this legislation establishes a static dollar amount of \$25 million for statewide calculation of the Teacher Education Allowance, and because TEEOSA School Aid currently generates approximately \$25 million for the Allowance, there would be no biennial impact to TEEOSA School Aid. Generally concur that NDE would incur some nominal operational costs to make changes to its NSSRS database.			

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

2013

LB⁽¹⁾ 645 FISCAL NOTE

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

Prepared by: ⁽³⁾ Wilson/Inbody Date Prepared: ⁽⁴⁾ January 29, 2013 Phone: ⁽⁵⁾ 1-3323

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2013-2014</u>		<u>FY 2014-2015</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 would change the calculation of the Teacher Education Allowance for the 2013/14 school year. As this change is to an allowance NDE would not expect a big change to the total amount of state aid certified. This change would cause a reallocation of state aid between school districts. NDE cannot determine the fiscal impact of this bill at this time. NDE does not have the required information to implement this bill for the 2013/14 school year.

There would be additional costs to NDE to add the teacher and paraprofessional information to the NSSRS. The costs are unknown at this time.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2013-2014</u>	<u>2014-2015</u>
	<u>13-14</u>	<u>14-15</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....			_____	_____
Operating.....			_____	_____
Travel.....			_____	_____
Capital outlay.....			_____	_____
Aid.....			_____	_____
Capital improvements.....			_____	_____
TOTAL.....			_____	_____