

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2015-16		FY 2016-17	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS			\$3,800,000	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS			\$3,800,000	

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

LB 529 pertains to the learning community, which includes eleven school districts in Douglas and Sarpy counties. The bill eliminates the calculation of state aid (TEEOSA) on a collective basis for school districts in a learning community. It also caps the amount of property taxes from the common levy which may be reallocated from one school district to another.

Change in Calculation of State Aid (TEEOSA): Currently, state aid for the eleven school districts in Sarpy/Douglas counties in the learning community is calculated collectively. The combined formula needs of all the districts in the learning community are compared to the combined formula resources of all districts in the learning community to determine the amount of equalization aid for the school districts in the learning community. Each school district receives a proportional share of equalization aid based upon its share of total formula needs. Assuming the bill takes effect for the state aid allocation beginning in FY2016-17, the repeal of the pooling concept for state aid for the learning community will increase state aid to schools by about \$3.8 million, based upon state aid calculated for FY16.

Cap on Reallocation of Common Levy Property Taxes: Currently, a common levy of \$.95 is levied by the learning community on the property in the eleven member districts to be used for the general fund of member school districts. The tax proceeds are divided between the member school districts proportionally based on the difference in a school district's formula need minus the sum of state aid and other actual receipts included in formula resources.

The bill does not change the total amount of property taxes collected per the common levy. Beginning in FY2016-17, it provides that all school districts in the learning community will receive a guaranteed minimum amount of not be less than 99% of the amount generated from a \$.55 levy. Using the preliminary calculation of state aid for FY16, the change in the bill will not impact the amount of property taxes allocated to any school district in the learning community at this point in time. It is possible these provisions may alter the allocation of property tax receipts in the future.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB:529	AM:	AGENCY/POLT. Dept of Education	
REVIEWED BY: James Van Bruggen		DATE: 1/26/2015	PHONE: 471-4179
COMMENTS: I agree with the Department of Education's assessment.			

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

2015

LB⁽¹⁾ 529

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Dept of Education

Prepared by: ⁽³⁾ Bryce Wilson

Date Prepared: ⁽⁴⁾ 1/22/15

Phone: ⁽⁵⁾ 402-471-4320

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2015-16</u>		<u>FY 2016-17</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	\$2,500,000	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>_____</u>	<u>_____</u>	<u>\$2,500,000</u>	<u>_____</u>

Explanation of Estimate:

Total TEEOSA aid paid to the Learning Community was lowered by the amount the two non-equalized districts in the Learning Community had resources in excess of needs (\$2,500,000). When the Learning Community calculation is eliminated from TEEOSA the non-equalized amount would be restored to the other districts in the Learning Community.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2015-16 EXPENDITURES</u>	<u>2016-17 EXPENDITURES</u>
	<u>15-16</u>	<u>16-17</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	\$2,500,000
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	<u>\$2,500,000</u>

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

2015

LB⁽¹⁾ 529

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Learning Community of Douglas and Sarpy Counties

Prepared by: ⁽³⁾ Brian Gabriel

Date Prepared: ⁽⁴⁾ 1/28/15

Phone: ⁽⁵⁾ 402-964-2198

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2015-16</u>		<u>FY 2016-17</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

This bill has no direct impact on the LC budget. Unpooling state aid would have an effect on the Common Levy distribution formula.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2015-16 EXPENDITURES</u>	<u>2016-17 EXPENDITURES</u>
	<u>15-16</u>	<u>16-17</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____