

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			\$8,299,200	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS			\$8,299,200	

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

LB 444 makes changes to the state aid allocated to school districts through the Tax Equity and Educational Opportunities Support Act (TEEOSA). Beginning in FY2016-17, the bill eliminates the minimum levy adjustment which reduces resources for school districts that do not levy at least \$.10 less than the required maximum levy (\$.05 for learning communities). The bill also eliminates provisions which reduce allocated income taxes for non-equalized schools that do not levy the minimum required amount.

Changes to Resources in the TEEOSA Formula: Using the estimated certification of state aid for FY2015-16, eliminating the minimum levy adjustment will increase resources for equalized school districts that do not levy the required amount by an estimated \$2,718,700. Deletion of the reduction in allocated income taxes for non-equalized schools which do not levy the minimum required amount will increase aid to these districts by an estimated \$5,580,500.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB:444	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⁾ 444

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Dept of Education

Prepared by: ⁽³⁾ Jen Utemark

Date Prepared: ⁽⁴⁾ 1/20/15

Phone: ⁽⁵⁾ 402-471-3323

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	_____	_____	\$8,300,000	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	\$8,300,000	=====

Explanation of Estimate:

LB 444 decreases the minimum levy adjustment in the TEEOSA formula by around \$205 million and increases the allocated income tax funds due to minimum ley adjustment by \$5 million. The changes in these components results in an increase in TEEOSA of \$8,300,000. Both equalized and non-equalized districts would benefit from this increase. Equalized districts would increase their equalization aid by the minimum levy adjustment amount eliminated. A few districts may become equalized with the elimination of the minimum levy adjustment. Non-equalized districts would receive allocated income tax dollars if this bill was implemented.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2015-16</u>	<u>2016-17</u>
	<u>15-16</u>	<u>16-17</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	\$8,300,000
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	\$8,300,000