

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2017-18		FY 2018-19	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS			\$71,778,773	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS			\$71,778,773	

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

LB 265 changes the amount of state aid allocated per the Tax Equity and Educational Opportunities Support Act (TEEOA). The bill provides that each school district will receive at least a specified minimum amount of state aid per formula student beginning in FY2018-19. Based upon the calculation of state aid per the formula for the FY2017-18 school year, LB 265 will increase state aid allocated to schools by an estimated \$71.8 million in FY19 and \$152.6 million in FY20.

FY	Minimum per Formula Student	Total State Aid	Annual Increase in Aid	Increased Aid vs Base
2017-18 Base		1,046,910,176		
2018-19	\$1,500	1,118,688,949	71,778,773	71,778,773
2019-20	\$2,500	1,199,486,444	80,797,495	152,576,268
2020-21	\$3,500	1,310,243,639	110,757,196	263,333,463
2021-22	\$4,500	1,511,504,001	201,260,362	464,593,825
2022-23 & thereafter	\$5,500	1,727,260,001	215,756,000	680,349,825

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 265	AM:	AGENCY/POLT. SUB: Department of Education	
REVIEWED BY: James Van Bruggen		DATE: 2/1/17	PHONE: (402) 471-4179
COMMENTS: Agree with the revised fiscal note.			

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2017

LB⁽¹⁾ 265

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Dept. of Education

Prepared by: ⁽³⁾ Jen Utemark Date Prepared: ⁽⁴⁾ 1/17/17 Phone: ⁽⁵⁾ 402-471-3323

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2017-18</u>		<u>FY 2018-19</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	\$71,820,518	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	_____	_____	\$71,820,518	_____

Explanation of Estimate:

This bill modifies current provisions of TEEOSA and the amounts to be distributed to each local system under the act. Under current law, the amount to be distributed from the amount certified for a local system shall be proportional based on the formula students attributed to each district in the local system. LB 265, provides for a minimum amount of TEEOSA aid based on the number of students in a local system and shall be equal to at least:

<u>Fiscal Year</u>	<u>Minimum Requirement</u>
2018-19	\$1,500 per Formula Student
2019-20	\$2,500 per Formula Student
2020-21	\$3,500 per Formula Student
2021-22	\$4,500 per Formula Student
2022-23	\$5,500 per Formula Student

This bill would increase the amount of equalization aid to each district in the local system due to its minimum funding requirement, resulting in increased TEEOSA aid. Fiscal impact is forecasted at this time for purposes of state aid pursuant to TEEOSA as follows:

<u>State Aid Year</u>	<u>Total Aid Calculated</u>	<u>Increase Over Prior Year</u>
2018-19	\$1,118,764,110	\$71,820,518
2019-20	\$1,199,444,787	\$80,680,677
2020-21	\$1,310,230,518	\$110,785,731
2021-22	\$1,511,497,715	\$201,267,197
2022-23	\$1,727,252,536	\$215,754,821
		\$680,308,944

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2017-18</u>	<u>2018-19</u>
	<u>17-18</u>	<u>18-19</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	\$71,820,518
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	\$71,820,518