PREPARED BY: DATE PREPARED: PHONE: Sandy Sostad February 13, 2019 471-0054

LB 679

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)							
	FY 201	9-20	FY 20	20-21			
	EXPENDITURES	REVENUE	EXPENDITURES REVENUE				
GENERAL FUNDS	\$100,000		See Below				
CASH FUNDS							
FEDERAL FUNDS							
OTHER FUNDS							
TOTAL FUNDS	\$100,000						

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

LB 679 establishes the School Financing Review Commission consisting of twenty members. The Commission is to conduct an indepth review of the financing of public elementary and secondary schools which includes specified areas for review that are identified in the bill. Members of the Commission are eligible for the reimbursement of actual and necessary expenses. The Commission ceases to exist on December 31, 2028. A progress report is required by December 31, 2019 and a final report is to be presented by December 1, 2020. Thereafter, reports are required in each even-numbered year regarding the adequacy of school funding sources beginning in July of 2020 through 2028.

The Commission is housed in the State Department of Education (NDE) for administrative purposes. It is authorized to hire staff and consultants and obtain assistance from NDE and the Department of Revenue (DOR) in acquiring data. Intent language provides that at least \$100,000 of general funds shall be appropriated to carry out the duties of the Commission.

Expenditures: It is estimated that up to fifteen of the Commission members may apply for the reimbursement of expenses. The number of meetings of the Commission are unknown. Assuming six meetings in FY20 and four meetings in FY21, the estimated amount to reimburse members for expenses is about \$19.350 in FY20 and \$12.900 in FY21.

The amount of funding needed for the Commission to carry out its responsibilities will be dependent upon whether consultants and staff are hired. It is assumed that NDE and DOR can handle any information or technical assistance requests with existing staff and resources and staff of the Legislature can provide assistance if necessary. If the workload for NDE or DOR pursuant to the bill is substantial, then the general fund appropriation can be used to fund additional staff. It is not possible to project the total future fiscal needs of the Commission at this time, so a general fund appropriation of \$100,000 is assumed in FY20.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE							
LB:	B: 679 AM: AGENCY/POLT. SUB: Department of Education						
REVI	EWED BY:	Gary Bush	DATE:	02/06/19	PHONE: (402) 471-4161		
COM	COMMENTS: No basis to disagree with the estimate provided.						

LB:	679	AM:	AGENCY/POLT. SUB: Legislative Council				
REVII	EWED BY:	Gary Bush	DATE:	01/29/19	PHONE: (402) 471-4161		

LB ⁽¹⁾ 67	'9							FISCAL NOTE
State Agency	OR P	olitical Su	ıbdivision Name: (₂₎ Depa	rtment of Ed	ucation		
Prepared by:	(3)	Bryce V	Vilson	Dat	e Prepared: (4)	1/25/19	Phone: (5)	402-471-4320
		E	STIMATE PRO	VIDED BY	STATE AGEN	NCY OR P	OLITICAL SUBDIVI	SION
			<u>F</u> EXPENDITURI	<u>Y 2019-20</u> ES	REVENUE	EX	<u>FY 2020</u> PENDITURES	<u>0-21</u> <u>REVENUE</u>
GENERAL F	UNI		\$50,000				\$50,000	
CASH FUND	S			<u> </u>			<u> </u>	
FEDERAL F	UNI	OS		<u> </u>				
OTHER FUN	NDS							
TOTAL FUN	NDS		\$50,000			- <u>-</u>	\$50,000	
Explanation	of Es	stimate:						
Two members Six members The commiss of funds and A preliminar 2020. Beging funding sour	Adn SUCcer of er of er of rs of rs of t sion how y rep ning ces.	Education of Governor Post Secondary Classian State of Secondary Classian Ceases of Secondary Classian Ceases of Secondary Cea	or on or ondary Education ss III, IV, V at large se to exist on De d with conducting fund specific ser e Legislative Cou	oc 31, 2028 ng an in-de vices such uncil would shall repor	pth review of t as pre-k, pover be due Noven t on or before J	he financir ty, college nber 2020 uly 1 of ev	ng of public education and career readiness with a final report du en numbered year th	
					AJOR OBJECT			
Personal Ser	vices	:						
PO	SIT	ON TIT		19-20	OF POSITION <u>20-21</u>		2019-20 PENDITURES	2020-21 EXPENDITURES
Benefits					_			
Operating						_	\$50,000	\$50,000

Capital improvements		
TOTAL	\$50,000	\$50,000

LB 679 Fiscal Note 2019

State Agency Estimate							
State Agency Name: Department of	Revenue				Date Due LFA:	3/14/2019	
Approved by: Tony Fulton		Date Prepared:	3/14/2019		Phone: 471-5896		
	FY 2019-	-2020	FY 202	0-2021	FY 20	21-2022	
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue	
General Funds	\$100,000						
Cash Funds							
Federal Funds							
Other Funds							
Total Funds	\$100,000				<u> </u>		
			•	•		•	

LB 679 creates the School Financing Review Commission. This commission will consist of 20 members, including: 3 members from the Legislature; the Property Tax Administrator or designee as a non-voting ex officio member; the director of the Educational Service Unit Coordinating Council; the Commissioner of Education or designee; a representative of the Governor selected by the Governor.

The Commissioner of Education appoints the remaining members to achieve, to the extent possible, to be diverse in terms of race, gender or other demographic factors to also serve through December 31, 2028: one member representing postsecondary education with expertise in the area of school finance; 2 members from each of the Class School Districts where one is an administrator and the other a board member; six members from the state at large; two from each congressional district who reside in school districts of varied sizes including varying percentages of limited English proficiency and poverty students. At least one member appointed must have experience in teaching at a public school, at least one will have experience in business and at least one must have experience in agriculture-related business. Members will be reimbursed for actual and necessary expenses incurred.

The commission will conduct a review of the financing of public elementary and secondary schools and give a preliminary report of their findings by November 2020. A final report is due December 1, 2020.

LB 679 states an intent to appropriate at least \$100,000 from the General Fund to the School Financing Review Commission.

The bill contains the emergency clause and becomes law upon enactment.

It is estimated that there will be minimal costs to the Department to implement this bill.

Major Objects of Expenditure							
Class Code	Classification Title	19-20 <u>FTE</u>	20-21 <u>FTE</u>	21-22 <u>FTE</u>	19-20 Expenditures	20-21 Expenditures	21-22 Expenditures
Benefits							
Operating Costs	Operating Costs. Travel.						
Capital Outlay							

LB ⁽¹⁾ 679			FISCAL NOTE
State Agency OR Political Subdivision Name:	03 LEGISLATIVE (COUNCIL	
Prepared by: (3) DIANE NICKOLITE	Date Prepared: (4)	1/25/19 Phone:	(5) 402-471-2226
ESTIMATE PRO	OVIDED BY STATE AGEN	CY OR POLITICAL SUBDIV	ISION
-	FY 2019-20	FY 20	20-21
<u>EXPENDITUR</u>	-	EXPENDITURES	<u>REVENUE</u>
GENERAL FUNDS			
CASH FUNDS			
FEDERAL FUNDS	_		
OTHER FUNDS	<u> </u>		
TOTAL FUNDS	_		
Explanation of Estimate:			
Commission shall be housed with the the Legislative Council.	OWN BY MAJOR OBJECTS		e a niscai impact on
Personal Services:			
POSITION TITLE	NUMBER OF POSITIONS <u>19-20</u> <u>20-21</u>	2019-20 EXPENDITURES	2020-21 EXPENDITURES
Benefits			
Operating			
Travel			
Capital outlay			
Aid			
Capital improvements			
TOTAL			