

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2025-26</b>		<b>FY 2026-27</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	SEE BELOW		SEE BELOW	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	SEE BELOW		SEE BELOW	

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

LB557 amends several sections to:

- provide, change, & eliminate definitions
- change provisions relating to the enrollment option program, student fees, student transportation, focus schools, focus programs, & magnet schools, net option funding under the Tax Equity and Educational Opportunities Support Act (TEEOSA), the learning community coordinating council, diversity plans for each learning community, & certification of student qualifying for free or reduced-price lunches
- provide funding to students denied option enrollment
- eliminate provisions relating to open enrollment option students & diversity plans

For FY2023-24, there were 24,672 students that were approved for the enrollment option program & 971 students were denied.

**FISCAL IMPACT:**

There would also be the costs of the educational support payments made to the students, but that amount cannot be determined at this time. The education support payments for the 971 students denied in FY2023-24, is estimated to be \$2,427,500.

Enrollment option students are a factor in the calculation of the Tax Equity & Educational Opportunities Support Act (TEEOSA) but those costs cannot be determined at this time.

The Nebraska Department of Education (NDE) estimates that there would be costs for the administrating the educational support payments, but that amount cannot be determined at this time.

School districts would have additional significant expenses related to facilities and staffing as districts can no longer deny enrollment options which could create significant building/staffing capacity situations.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: <b>557</b>	AM:	AGENCY/POLT. SUB: <b>Nebraska Department of Education</b>	
REVIEWED BY: Kimberly Burns	DATE: 02/20/2025	PHONE: (402) 471-4171	
COMMENTS: The Nebraska Department of Education’s assessment of likely, yet indeterminate, fiscal impact for the agency and the school districts from LB 557 appears reasonable.			

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: <b>557</b>	AM:	AGENCY/POLT. SUB: <b>Learning Community of Douglas &amp; Sarpy Counties</b>	
REVIEWED BY: Kimberly Burns	DATE: 02/04/2025	PHONE: (402) 471-4171	
COMMENTS: The Learning Community of Douglas and Sarpy Counties’ assessment of no fiscal impact from LB 557 appears reasonable.			

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

**2025**

**LB<sup>(1)</sup> 557**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Department of Education

Prepared by: <sup>(3)</sup> Bryce Wilson Date Prepared: <sup>(4)</sup> 2/19/25 Phone: <sup>(5)</sup> 402-471-4320

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2025-26</u>		<u>FY 2026-27</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>

**Explanation of Estimate:**

LB 557 changes the enrollment option program to make it available at anytime for students and eliminates school district’s ability to deny enrollment options for anything other than standards that include random selection processes. If an enrollment option application is denied the student would be eligible for a \$2,500 education support payment that can be used at a parent’s discretion for education related expenses.

The changes proposed in this bill would allow student unlimited enrollment options or the ability to change districts as often as they choose. The bill also takes away a districts ability to deny enrollment options and could create significant building/staffing capacity situations for districts across the State.

NDE would incur costs administrating the educational support payments, but amount cannot be determined at this time. Additionally, there would also be the costs of the educational support payments made to the students.

Some school districts would also likely incur additional significant costs related to facilities and staffing but amounts and what districts would experience the impacts can’t be determined at this time.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
<b>TOTAL.....</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>

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

**2025**

**LB<sup>(1)</sup> 557**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Learning Community of Douglas & Sarpy Counties

Prepared by: <sup>(3)</sup> Andrew Keck Date Prepared: <sup>(4)</sup> 1/23/25 Phone: <sup>(5)</sup> 402-964-2198

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2025-26</u>		<u>FY 2026-27</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:

There is no fiscal impact for the Learning Community of Douglas and Sarpy Counties as a result of LB 557.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____