

PREPARED BY: Phil Hovis
 DATE PREPARED: January 22, 2009
 PHONE: 471-0057

LB 283

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2009-10		FY 2010-11	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB283 would modify the definition of certain terms with implications relating to allocation of state aid among community college areas. Total appropriations of state aid to community college areas would not be directly impacted by the provisions of the bill and would remain at the discretion of the Legislature.

The bill would change the definition of certain enrollment measures (Class 1 and Class 2 course) which impact state aid distribution. The altered definitions result in defined enrollment measures for which data has not been historically collected/reported and which is not readily available to be utilized in an assessment of any state aid distribution impact the proposed changes may have. Presumably, the majority of academic transfer and developmental course offerings would fall under the definition of Class 1 course according to the definition contained in the bill. However, some academic transfer and developmental courses may qualify under the revised definition of Class 2 course. Community college area enrollment audits historically have not distinguished between what would be designated as Class 1 and Class 2 academic transfer and developmental courses under the bill.

LB283 also alters language providing for calculation of another factor utilized in computing distribution of aid to community college areas. Under current law, "yield from local effort rate for each community college area equals the local effort rate (*a statutorily defined term*) times the total taxable valuation certified to each community college area pursuant to the most recent Certificate of Taxes Levied required under section 77-1613.01 divided by one hundred." LB283 would provide that "yield from local effort rate for each community college area equals the local effort rate times the total property attributable to each community college area divided by one hundred." The term total property attributable to each community college area appears uncertain and subject to interpretation. Given the uncertainty of the term, an assessment of the impact of the change in the calculation of "yield from local effort rate" as it relates to distribution of aid among community college areas is indeterminate.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	William Scheideler	DATE 1/27/09	PHONE 471-2526
COMMENTS			
NEBRASKA COMMUNITY COLLEGE ASSOCIATION: Agency analysis appears reasonable.			