

Revised on 2/18/99 to include fiscal note from Douglas County

# FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

## ESTIMATE OF FISCAL IMPACT – STATE AGENCIES \*

	FY 1999-2000		FY 2000-2001	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	24,600		26,800	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	24,600		26,800	

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

LB 272 is a bill to implement the provisions of LB 806 (1997) which required the elimination of the office of county superintendent of schools by June 30, 2000. The State Department of Education (NDE) was required to make recommendations on which duties currently assigned to county superintendents should be eliminated and which should be retained. LB 272 repeals all duties of the county superintendent and transfers some existing responsibilities to other state or local entities beginning July 1, 2000.\* The bill also eliminates county reorganization committees and transfers their duties to the state reorganization committee.

NDE prepared a report in 1997 showing staffing in county superintendent offices, services provided and recommendations for the transfer or discontinuance of current statutory responsibilities. The report showed there were six full-time county superintendents in the state; 11 who were half to full-time; 26 who were .2 to .5 employees; and, 31 who were less than a .2 FTE. There were also eight full-time other office staff; 12 who work half to full-time; 8 who are .2 to .5 staff; and, 15 who are employed as a .2 FTE or less. The elimination of these staff and operating expenses should result in a decrease in county expenditures of about \$1.67 million beginning in 2000-01, based upon 1996-97 estimated expenditures.

However, the bill transfers some former county superintendent duties to other county offices such as the clerk, treasurer, attorney and assessor. The transfer of duties will increase the workload of these offices and may increase local expenditures. Counties have the option to contract for a county school administrator after the elective office is discontinued. The fiscal impact for a county to provide the transferred duties is unknown, but is estimated to be minimal and significantly less than the savings realized from eliminating the office of county superintendent.

Schools will also have an increased workload to carry out some former county superintendent duties. It is possible there could be an increase in expenditures for some duties, but any increase is projected to be minimal.

The elimination of county reorganization committees and assumption of most of the duties of the county committees by the state committee for reorganization of school districts will increase the workload of NDE. The agency indicates the need for a full-time staff member at an annual cost of \$59,804 of general funds to work with the state reorganization committee beginning in 2000-01. All reorganization hearings will have to be heard by the state. NDE indicates the additional FTE could act as a hearing officer to attend local reorganization hearings.

This fiscal note assumes the current employee who works with school reorganizations can assume some of the workload increase pursuant to the bill. It is also assumed an additional .5 contract employee will be needed beginning in January 2000 to act as a hearing officer and to assist in the implementation of the bill. Estimated costs for the contractual employee will be \$19,600 general funds in 1999-00 and \$26,800 general funds in 2000-01. A one-time fiscal impact of \$5,000 general funds is anticipated for rule development in 1999-00.

\*Technical Note: It is assumed the current duties of the county superintendent shift to other entities on July 1, 2000, when the office of county superintendent is eliminated.

## DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Lyn E. Heaton	DATE 2/18/99	471-2526
COMMENTS			
<u>Douglas County</u> – No basis upon which to disagree.			

