

LB 1175 FISCAL NOTE

Sandy L. Sostad
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	FY 1998-99		FY 1999-00	
	Expenditures	Revenue	Expenditures	Revenue
GENERAL				
CASH				
FEDERAL				
OTHER				
TOTAL	\$0	\$0	\$0	\$0

LB 1175 is the “clean-up” bill for statutes pertaining to schools and the State Department of Education (NDE). The bill appears to have no fiscal impact for NDE because the majority of the changes are to conform to current practices and eliminate obsolete references.

Several sections of the bill may impact the amount of state aid received by individual school districts. Section 12 changes the calculation of the special education allowance in the state aid formula to include receipts for wards of the state as part of the special education allowance. The inclusion of these receipts as part of the special education allowance will increase the formula need for some districts which will result in a shift in state aid between school districts receiving equalization aid.

Section 15 changes the calculation of the amount of lop-off in the state aid formula. The change in this section will mean some districts may not have as much state aid “lopped-off”. This will also result in a shift in state aid between school districts.

The repealer sections of the bill eliminate statutory references to the Nebraska School for the Deaf. The School for the Deaf Cash Fund is eliminated on September 30, 1998. The Appropriations Committee is structuring its budget recommendation for funding services for deaf and hard of hearing students in 1998-99 so the balance in the cash fund will be expanded prior to the termination dates in the bill.

The repealer sections also eliminate the requirement for a new funding system for special education programs which was required beginning in 1998-99. The bill continues the current reimbursement formulas and the 3% cap on the growth in state reimbursement for special education programs.

NEBRASKA DEPARTMENT OF EDUCATION: Concur.