

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2015-16</b>		<b>FY 2016-17</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$0		\$0	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$0</b>		<b>\$0</b>	

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

LB 293 amends Nebraska Revised Statutes to change the valuation percentage of agricultural and horticultural land.

Section 77-201 is amended to provide that agricultural land and horticultural land shall be valued at 65% of actual value. Currently it is valued at 75% of actual value. The same change is made for special valuation of agricultural land and horticultural land.

Section 77-5023 is amended to change the acceptable range of agricultural land and horticultural land for taxation purposes from the current range of 69% to 75% to the new range of 59% to 65%.

Section 77-1016 is amended to change adjusted valuation for school state aid purposes to 62% of actual value. The current adjusted valuation is 72%.

The bill has an operative date of January 1, 2016.

The changes proposed by LB 293 will increase the amount necessary to fund state aid in the Tax Equity and Educational Opportunities Support Act (TEEOSA) and will be an expenditure from the General Fund as follows:

FY2015-16:	\$	0
FY2016-17:	\$	0
FY2017-18:	\$	13,446,500
FY2018-19:	\$	13,980,000

The Department of Revenue indicates that cost to implement LB 293 will be minimal.

We agree with the Department of Revenue's estimate of cost.

<b>ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSES</b>		
LB: 293	AM:	AGENCY/POLT. SUB: Education
REVIEWED BY: Lyn Heaton	DATE: 2/17/2015	PHONE: 471-4181
COMMENTS: The Department is correct that the bill would increase the amount of General Funds needed for TEEOSA equalization aid. For instance, it has been estimated that had this change been in place for calculation of TEEOSA aid for FY 2015-16 the additional cost would have been about \$27 million.		

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2015

LB<sup>(1)</sup> 293

FISCAL NOTE

State Agency OR Political Subdivision Name: <sup>(2)</sup>

Dept of Education

Prepared by: <sup>(3)</sup> Bryce Wilson

Date Prepared: <sup>(4)</sup> 1/20/15

Phone: <sup>(5)</sup> 402-471-4320

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2015-16		FY 2016-17	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

Decreasing ag land valuations will increase TEEOSA aid to equalized school districts. The amount cannot be determined at this time.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2015-16	2016-17
	15-16	16-17	EXPENDITURES	EXPENDITURES
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

