

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2010-11		FY 2011-12	
	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.

LB1034 does not directly impact the level of state aid appropriated for aid to community college areas. Related appropriations would remain at the discretion of the Legislature.

The bill defines the term “tuition and fees” for purposes of the Community College Foundation and Equalization Aid Act. The definition of the term represents implications in terms of distribution of state aid among the six community college areas pursuant to the Act. LB1034 would define “tuition and fees” to include all accrued fiscal year tuition and fees, net of refunds and waivers, and to exclude tuition and fees assessed or allocated by the respective community college area boards in the fiscal year for the restricted purpose of capital improvement expenditures. The level of tuition and fees to be assessed or allocated for capital improvement expenditures would be at the discretion of the respective boards for each fiscal year. Actions of the respective boards in this regard cannot be predicted. As such, the impact of LB1034 on the distribution of state aid among the six community college areas for future fiscal years (the bill includes no emergency clause; therefore, an effective date after June 30, 2010 is assumed) is indeterminate. In general terms, increasing an area’s level of tuition and fees assessed or allocated for capital improvement expenditures under provisions of LB1034 will decrease that area’s available local resources component applied in determining state aid allocations among the six community college areas. Such would tend to increase qualification for allocation of state aid. However, given that each of the six areas would independently determine levels of tuition and fees to be assessed or allocated for capital improvement expenditures for future fiscal years and given that such future decisions cannot be predicted, the ultimate impact of LB1034 upon the distribution of community college state aid is, again, indeterminate.

Under provisions of existing law, the Coordinating Commission for Postsecondary Education is statutorily assigned responsibility to collect data from the six community college areas necessary to carry out the Community College Foundation and Equalization Act while the Department of Revenue is charged with responsibility to calculate and certify the amount of appropriated state aid to be distributed to the respective community college areas for each fiscal year. The provisions of LB1034 represent no fiscal impact to either the Coordinating Commission or the Department of Revenue in performance of their statutorily assigned duties.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	William Scheideler	DATE	2/19/10	PHONE	471-2526
COMMENTS					
DEPT. OF REVENUE – Concur.					
COORDINATING COMMISSION – Concur.					
NE COMMUNITY COLLEGE ASSOC. – Concur.					