

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)

	FY 2025-26		FY 2026-27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

LB692 amends §79-3403 & §79-3406 to change provisions relating to the calculation of property tax request authority & the carrying forward of unused property tax request authority related to the School District Property Tax Limitation Act.

The Nebraska Department of Education (NDE) will calculate each school district's property tax request authority on an annual basis as follows:

- The school district's property tax request from the prior year minus the amount, if any, the property tax request exceeded the school district's property tax request authority in the prior year will be added to the non-property-tax revenue from the prior year minus any investment income from special building funds from the prior year, & the total will be increased by the school district's base growth percentage
- The amount determined will then be decreased by the amount of total non-property-tax revenue for the current year & adjusted for any known or documented errors in documentation received by NDE from the school district. In determining the total non-property-tax revenue for the current year, any category of non-property-tax revenue for which there is insufficient data as of June 1 to make an accurate determination will be deemed to be equal to the prior year's amount

A school district can choose not to increase its property tax request by the full amount allowed by the school district's property tax request authority in a particular year. In those cases, the district can carry forward to future years the amount of unused property tax request authority, excluding any increases to property tax request authority resulting from increases of the school district's base growth percentage. NDE will calculate each district's unused property tax request authority & will submit an accounting of that amount to the school board of the district. That unused property tax request authority can then be used in later years for increases in the school district's property tax request.

NO FISCAL IMPACT

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 692	AM:	AGENCY/POLT. SUB: Nebraska Department of Education	
REVIEWED BY: Ryan Yang		DATE: 2/10/2025	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the Nebraska Department of Education assessment of no fiscal impact to the agency from LB 692.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 692	AM:	AGENCY/POLT. SUB: Department of Revenue	
REVIEWED BY: Ryan Yang		DATE: 2/10/2025	PHONE: (402) 471-4178
COMMENTS: The Department of Revenue assessment of no fiscal impact from LB 692 appears reasonable.			

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Department of Education

Prepared by: ⁽³⁾ Bryce Wilson

Date Prepared: ⁽⁴⁾ 2/7/25

Phone: ⁽⁵⁾ 402-471-4320

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2025-26		FY 2026-27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Explanation of Estimate:

LB 692 changes the property tax authority calculation to eliminate any property taxes from the base calculation for the following year if those taxes were received through the vote of the public, approved by 70% of the school board or an amount due to a levy override prior to January 1, 2024. This bill would also eliminate any unused property tax authority that is attributed to any of those same three exceptions to the limit.

No fiscal cost to NDE.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE				
Personal Services:				
POSITION TITLE	NUMBER OF POSITIONS		2025-26	2026-27
	25-26	26-27	EXPENDITURES	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				

Phone: 471-5896

<u>Class Code</u>	<u>Classification Title</u>	<u>25-26 FTE</u>	<u>26-27 FTE</u>	<u>27-28 FTE</u>	<u>25-26 Expenditures</u>	<u>26-27 Expenditures</u>	<u>27-28 Expenditures</u>
Benefits.....							
Operating Costs.....							
Travel.....							
Capital Outlay.....							
Capital Improvements.....							
Total.....							