

**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>   |                |
|   | <b>EXPENDITURES</b> | <b>REVENUE</b> | <b>EXPENDITURES</b> | <b>REVENUE</b> |
| GENERAL FUNDS   | 300,000             |                | 300,000             |                |
| CASH FUNDS  |                     |                |                     |                |
| FEDERAL FUNDS   |                     |                |                     |                |
| OTHER FUNDS   |                     |                |                     |                |
| <b>TOTAL FUNDS</b>  | <b>300,000</b>      |                | <b>300,000</b>      |                |

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

Under provisions of the Access College Early (ACE) Scholarship Program Act, qualified low-income students, who while still in high school enroll in college courses from eligible Nebraska colleges and universities (either through dual-enrollment or early enrollment agreements), are eligible to receive ACE Scholarships for related tuition and mandatory fees. Eligible students applying to take one or more courses from an accredited Nebraska postsecondary education institution may apply for ACE scholarships. Aid awarded under the program is to equal the lesser of tuition and mandatory fees incurred by the student after any applicable discounts or the tuition and fees that would have been incurred by the student for the same number of credit hours if the student were taking the course as a full-time, resident, undergraduate student from the University of Nebraska-Lincoln. Scholarship amounts are forwarded directly to the relevant postsecondary education institution as payment of the eligible student's tuition and mandatory fees. The ACE Scholarship Program is administered by the Coordinating Commission for Postsecondary Education (CCPE).

Utilizing amounts awarded to Nebraska under the U.S. Department of Education's College Access Challenge Grant (CACG) program, CCPE began utilizing CACG federal funds in 2011-12 to administratively initiate an ACE **Plus** Scholarship Program as an extension of the statutory ACE Scholarship Program. Supported with CACG federal funds since 2011-12, the program has been utilized to provide financial aid to first-year (\$500) and second-year (\$1,000) college students who were ACE Scholarship recipients while in high school. The program has been funded entirely with CACG federal funds. The CACG federal funds supporting the ACE Plus Program will no longer be available after the close of FY2014-15.

LB102 would amend the ACE Scholarship Program Act to statutorily establish the ACE Plus Scholarship Program. Based on 2014-15 applications for ACE Plus Scholarships, CCPE estimates \$300,000 would be necessary for each of 2015-16 and 2016-17 to continue the program and meet applications from all eligible students for financial aid under the program (\$500 for first-year students and \$1,000 for second year students). CCPE estimates no additional funding would be required for agency operating expenses in order to continue to administer the ACE Plus Scholarship Program.

The bill provides that CCPE is to make ACE Plus Scholarship payments in the order that applications are received, except that CCPE may limit the number of ACE Plus Scholarships awarded in each academic year. The bill further provides that CCPE may limit the number of ACE Plus Scholarships a student may receive. These provisions would apparently be operationalized in the event funds were appropriated for the program, but the appropriation level was insufficient to meet all scholarship applications.

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**2015**

**LB<sup>(1)</sup> 102**

**FISCAL NOTE**

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

Coordinating Commission for Postsecondary Education

Prepared by: <sup>(3)</sup> Gary Timm

Date Prepared: <sup>(4)</sup> 1/11/15

Phone: <sup>(5)</sup> 471-0020

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

|                    | <u>FY 2015-16</u>   |                | <u>FY 2016-17</u>   |                |
|--------------------|---------------------|----------------|---------------------|----------------|
|                    | <u>EXPENDITURES</u> | <u>REVENUE</u> | <u>EXPENDITURES</u> | <u>REVENUE</u> |
| GENERAL FUNDS      | \$300,000           |                | \$300,000           |                |
| CASH FUNDS         |                     |                |                     |                |
| FEDERAL FUNDS      |                     |                |                     |                |
| OTHER FUNDS        |                     |                |                     |                |
| <b>TOTAL FUNDS</b> | <u>\$300,000</u>    | <u>\$0</u>     | <u>\$300,000</u>    | <u>\$0</u>     |

**Explanation of Estimate:**

The Access College Early (ACE) Plus program, initiated by the Commission in 2011–2012, provides scholarships to low-income first- and second-year college students who were participants of the ACE program. The ACE program provides financial assistance to high school students taking dual-enrollment courses.

The ACE Plus program provides a small financial incentive (\$500 the first year, \$1,000 the second year) to ACE recipients to continue on to college. The ACE Plus program is entirely funded with Federal funds from the College Access Challenge Grant (CACG) that will no longer be funded after July 2016. The ACE Plus scholarship was initially funded with \$223,000 of federal CACG funds. For 2013–2014, \$260,500 in federal CACG funding was awarded for ACE Plus scholarships. During the 2014–15 award year, the ACE Plus program was unable to provide aid to 69 students totaling \$48,000 due to lack of funding. The Commission’s estimate of \$300,000 would have provided funding to meet the needs of all eligible students at the 2014–15 award year level.

The Commission has also included in its agency budget request a corresponding amount to fund the ACE Plus program with General funds.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

| <u>POSITION TITLE</u>     | <u>NUMBER OF POSITIONS</u> |              | <u>2015-16<br/>EXPENDITURES</u> | <u>2016-17<br/>EXPENDITURES</u> |
|---------------------------|----------------------------|--------------|---------------------------------|---------------------------------|
|                           | <u>15-16</u>               | <u>16-17</u> |                                 |                                 |
| Benefits.....             |                            |              |                                 |                                 |
| Operating.....            |                            |              |                                 |                                 |
| Travel.....               |                            |              |                                 |                                 |
| Capital outlay.....       |                            |              |                                 |                                 |
| Aid.....                  |                            |              | \$300,000                       | \$300,000                       |
| Capital improvements..... |                            |              |                                 |                                 |
| <b>TOTAL.....</b>         |                            |              | <u>\$300,000</u>                | <u>\$300,000</u>                |