Sandy Sostad May 13, 2015 471-0054

## LB 382

## Revision: 01 FISCAL NOTE LEGISLATIVE FISCAL ANALYST ESTIMATE

Revised on 5/13/15 based on amendments adopted through 5/12/15.

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)								
	FY 201	5-16	FY 2016-17					
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE				
GENERAL FUNDS								
CASH FUNDS	\$50,000		See Below					
FEDERAL FUNDS								
OTHER FUNDS								
TOTAL FUNDS	\$50,000		See Below					

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

LB 382 requires the State Department of Education (NDE) to provide grants to any entity offering a high school equivalency program, which is not an institution. The grants are to be awarded to applicants meeting the requirements of the High School Equivalency Act. The bill establishes a High School Equivalency Grant Fund which is to be funded through a transfer from the Job Training Cash Fund. The bill provides intent language for \$400,000 to be transferred from the Job Training Cash Fund to the High School Equivalency Grant Fund.

NDE indicates there is currently one non-profit organization offering a high school equivalency program which would be eligible for a grant award pursuant to the bill. Assuming grant funds are allocated to a non-profit organization on the same basis as to institutional providers, NDE estimates a grant award of \$30,000 to \$50,000, depending upon the number of adult education students enrolled and the number of students taking a high school equivalency examination. It is possible there could be one or a couple more non-profit organizations that may offer high school equivalency programs beginning in FY2016-17 due to a new federal requirement to have an open competition for funding of adult education programs. However, the number of possible grant recipients is projected to be small.

The Job Training Cash Fund is funded through transfers from the Cash Reserve Fund. The balance of the fund is sufficient at the present time to fund LB 382.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES						
LB:382 AM: AGENCY/POLT. Dept. of Economic Development						
REVIEWED BY: Ja	mes Van Bruggen		DATE: 2/12/2015	PHONE: 471-4179		
COMMENTS: There is no basis to disagree with the Department of Economic Development's assessment at this time.						

State Agency Estimate									
State Agency Name: Dept. of Economic Development Date Due LFA									
Approved by: Dacia Kruse		Date Prep	pared:			Phone	e: 402-471-377	7	
	FY 2014	I-2015		FY 201	5-2016		FY 201	6-2017	
	Expenditures	Revenue		Expenditures	Revenue		Expenditures	Revenue	
General Funds			_						
Cash Funds			_						
Federal Funds			_						
Other Funds			_						
Total Funds			_						
			-						

LB382 proposes to transfer funding from the Job Training Cash Fund administered by the Department of Economic Development to the High School Equivalency Grant Fund administered by the Department of Education. The Department of Education will use such funds to provide grants to any entity offering a high school equivalency program, which entity is not an institution.

As drafted, LB382 does not specify the amount of funds to be transferred to the High School Equivalency Grant Fund, nor does the bill suggest that no further funds be appropriated to the Job Training Cash Fund. Therefore, the impact on the Department of Economic Development is unknown at this time.

Major Objects of Expenditure								
<u>Class Code</u>	Classification Title	14-15 <u>FTE</u>	15-16 <u>FTE</u>	16-17 <u>FTE</u>	14-15 <u>Expenditures</u>	15-16 <u>Expenditures</u>	16-17 <u>Expenditures</u>	
Benefits	Benefits							
Operating Costs								
Travel								
Capital Outlay								
Aid								
	Capital Improvements							
Total								

Please complete <u>ALL</u> (5) blanks in the first three lines.

				FISCAL NOTE
livision Name: (2)	Nebraska Depa	rtment of Educati	on	
ier	Date Prepared: <sup>(4)</sup>	January 27, 2015	Phone: (5)	402-471-4807
IMATE PROVIDEI	) BY STATE AGENC	Y OR POLITICAL S	UBDIVISIO	ON
<u>FY 201</u> XPENDITURES	<u>15-16</u> <u>REVENUE</u>	<u>EXPENDITU</u>	<u>FY 2016</u> RES	<u>-17</u> <u>REVENUE</u>
\$50,000		\$50,000		
\$50,000		\$50,000		
1	er IMATE PROVIDEI FY 20: XPENDITURES \$50,000	er Date Prepared: (4) IMATE PROVIDED BY STATE AGENC FY 2015-16 XPENDITURES REVENUE \$50,000	er Date Prepared: <sup>(4)</sup> January 27, 2015 <u>IMATE PROVIDED BY STATE AGENCY OR POLITICAL S</u> <u>FY 2015-16</u> <u>XPENDITURES REVENUE EXPENDITU</u> \$50,000 \$50,000	Nebraska Department of Education         er       Date Prepared: (4)       January 27, 2015       Phone: (5)         IMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION         FY 2015-16       FY 2016         Spenditures       REVENUE       EXPENDITURES         \$50,000       \$50,000       \$50,000

**Explanation of Estimate:** 

Estimated yearly range of \$30,000-\$50,000 depending upon the number of Adult Education students enrolled and the number of GED testing examinees in the non-profit organization, as well as the total number for the state.

No additional operating expenditures would be necessary since it can be incorporated into existing work.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE								
Personal Services:								
	NUMBER OF	POSITIONS	2015-16	2016-17				
POSITION TITLE	<u>15-16</u>	<u>16-17</u>	<b>EXPENDITURES</b>	EXPENDITURES				
Benefits								
Operating								
Travel								
Capital outlay								
Aid			\$50,000	\$50,000				
Capital improvements								
TOTAL			\$50,000	\$50,000				