Bill Biven, Jr. February 23, 2022 402-471-0054

LB 1182

Revision: 00 FISCAL NOTE LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)									
	FY 202	2-23	FY 2023-24						
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE					
GENERAL FUNDS		See Below							
CASH FUNDS									
FEDERAL FUNDS	See Below								
OTHER FUNDS									
TOTAL FUNDS	See Below	See Below							

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

LB1182 creates the School Employees Pandemic Protection Act & states the intent to appropriate \$10,000,000 of federal American Rescue Plan Act (ARPA) funds for FY2022-23.

On or before August 1, 2022 the Nebraska Department of Education (NDE) will create the School Employees Pandemic Protection Program with the purpose of ensuring that each school employee receives a payment, in an amount not to exceed \$200, to cover the expense of personal protective equipment (PPE) purchased by the employee.

The fund will consist of funds appropriated or transferred by the Legislature & any gifts, grants, bequests, or donations to the fund.

EXPENDITURES:

A school district's state aid could be affected by these payments due to employee salaries being a factor in the Nebraska Tax Equity & Educational Opportunities Support Act (TEEOSA) formula. Amounts cannot be determined as this time.

NDE estimates the need for an additional FTE to design, implement, track, & reimburse the provisions of LB1182. The FTE will have a salary/benefits expense of \$79,237, operating expenses of \$5,010, & the remaining \$9,915,753 being used for the reimbursement of employee purchased PPE.

The Nebraska Department of Revenue (DOR) estimates minimal costs to meet the provisions & those costs can be absorbed by the agency.

REVENUE:

appropriations intended.

DOR estimates an increase of \$500,000 in General Fund revenue in FY 2022-23 due to the increase of taxable income to the employee's salary.

A	ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE								
LB: 1182 AM: AGENCY/POLT. SUB: Nebraska Department of Education									
REVI	REVIEWED BY: Gary Bush DATE: 2/9/22 PHONE: (402) 471-4161								
COMMENTS: Agree with the agency that the bill would provide Federal Funds to the agency. Disagree that the agency would require a new position to manage the requirements of the bill. The maximum funding available under the federal Coronavirus State Fiscal Recovery Fund is \$1.04 billion, of which only \$520 million is currently available. Appropriation of these funds must be balanced in aggregate in order to avoid over obligation. Technical Note: The language in section 5 of the bill does not provide the level of detail necessary to enact the									

	ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE								
LB:	LB: 1182 AM: AGENCY/POLT. SUB: Nebraska Department of Revenue								
RE∖	REVIEWED BY: Gary Bush DATE: 2/24/22 PHONE: (402) 471-4161								
COMMENTS: Agree with the agency on the estimate of fiscal impact. The maximum funding available under the federal Coronavirus State Fiscal Recovery Fund is \$1.04 billion, of which only \$520 million is currently available. Appropriation of these funds must be balanced in aggregate in order to avoid over obligation									

obligation. **Technical Note:** The language in section 5 of the bill does not provide the level of detail necessary to enact the appropriations intended Please complete <u>ALL</u> (5) blanks in the first three lines.

LB ⁽¹⁾ 1182				FISCAL NOTE		
State Agency OR Political Subdivision Name: ⁽²⁾		Education				
Prepared by: ⁽³⁾ Lane C	arr	Date Prepared: ⁽⁴⁾	1.20.22	Phone: ⁽⁵⁾ <u>4024193012</u>		
ESTI	MATE PROVIDED	BY STATE AGENCY	OR POLITICAL SU	<u>BDIVISION</u>		
	<u>FY 9</u>	2022-23		<u>FY 2023-24</u>		
	EXPENDITURES	<u>REVENUE</u>	<u>EXPENDITU</u>	RES <u>REVENUE</u>		
GENERAL FUNDS	0	0	0	0		
CASH FUNDS						
FEDERAL FUNDS	\$10,000,000					
OTHER FUNDS						
TOTAL FUNDS <u>\$10,000,000</u>						

Explanation of Estimate:

LB1182 would appropriate \$10 million to the NDE to provide for the School Employees Pandemic Protection Program. The NDE would provide \$200 to school employees for personal protective equipment. The program would require one FTE to support the design, implementation, tracking, reimbursement, and other requirements.

	NUMBER OF POSITIONS		2022-23	2023-24
POSITION TITLE	22-23	<u>23-24</u>	EXPENDITURES	EXPENDITURES
Grant Specialist			44,769	
Benefits			34,468	
Operating			5,010	
Travel				
Capital outlay				
Aid			9,915,753	
Capital improvements				
TOTAL			\$10,000,000	

LB 1182

Fiscal Note 2022

State Agency Estimate									
State Agency Name: Department of Revenue Date Due LFO:									
Approved by: Tony Fulton		Date Prepared:	2/23/2022		Phone: 471-5896				
FY 20		2-2023	FY 2023-2024		<u>FY 2024-2025</u>				
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue			
General Funds		\$500,000							
Cash Funds	\$10,000,000	\$10,000,000							
Federal Funds									
Other Funds	\$10,000,000								
Total Funds	\$20,000,000	\$10,500,000							

LB 1182 creates the School Employees Pandemic Protection Act. On or before August 1, 2022, the Department of Education (DOE) must create the School Employees Pandemic Protection Program (program). The program will pay school employees up to \$200 to cover the personal protective equipment expenses of the employee. The payments will be paid from the School Employee Protection Fund, which DOE will administer. It is the intent of the Legislature to appropriate \$10 million to DOE of the federal funds allocated to Nebraska from the federal Coronavirus State Fiscal Recovery Fund of the American Rescue Plan Act of 2021 to implement the program.

Personal protective equipment means any equipment worn or used to minimize exposure to hazards that cause serious workplace illnesses, including but not limited to, face masks, face shields, gloves, plexiglass barriers, COVID-19 tests, and hand sanitizers. School employees means an individual employed by a school, including but not limited to, teachers, paraeducators, administators, and food service and transportation personnel.

Department of Revenue (DOR) estimates that the taxable income generated from the reimbursements will result in a one-time increase in General Fund revenue for Fiscal Year 2022-2023 of approximately \$500,000.

LB 1182 is operative 3 months after adjournment.

DOR estimates minimal cost for implementation.

Major Objects of Expenditure											
Class Code	Classification Title	22-23 <u>FTE</u>	23-24 <u>FTE</u>	24-25 <u>FTE</u>	22-23 <u>Expenditures</u>	23-24 Expenditures	24-25 <u>Expenditures</u>				
Benefits											
Operating Costs											
Travel											
Capital Outlay											
Capital Improveme	Capital Improvements										
Total	Total										