PREPARED BY: DATE PREPARED: PHONE: Bill Biven, Jr. February 08, 2024 402-471-0054

LB 1053

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)							
FY 2024-25 FY 2025-26							
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE			
GENERAL FUNDS							
CASH FUNDS	See below		See below				
FEDERAL FUNDS							
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.

LB1053 amends §79-8,114 & §79-8, 118 to authorize up to five extended-career retention grants & update the termination date of the Nebraska Teacher Recruitment & Retention Act to January 1, 2030.

EXPENDITURES:

The current appropriation for the Nebraska Teacher Recruitment and Retention Grant (LB 705, 2023) is \$5 million per fiscal year from the Education Future Fund. We do not have a current estimate of the amount of need related to the new grant category, and as such any required increase in appropriation for the program for the additional grants authorized in the bill is indeterminate at this time. If no additional appropriation is made to NDE, adding a new grant category will change the distribution of grant funds.

The Nebraska Department of Education (NDE) estimates the need for 0.5 of an FTE to address the updates & make changes to the program. For FY2024-25, the FTE will have a salary/benefits expense of \$62,994; & operating expenses of \$16,988.

	ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE							
LB:	1053	AM:	AGENCY/POLT. SUE	3: Nebraska D	epartment of Education			
RE\	/IEWED BY:	Gary Bush	DATE:	2/9//24	PHONE: (402) 471-4161			
COMMENTS: The need for a developer to make changes to their program appears to be reasonable. However, I disagree that a developer would be need in FY2025-26.								

A	ADMINISTRA	TIVE SERVICES	STATE BUDGET DIVISION:	REVIEW OF A	GENCY & POLT. SUB. RESPONSE			
LB:	1053	AM:	AGENCY/POLT.	SUB: Nebrask	a Department of Revenue			
REVI	REVIEWED BY: Gary Bush DATE: 2/8/24 PHONE: (402) 471-4161							
COMMENTS: Agree with the agency of the fiscal impact to the agency and state.								

	ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE							
LB:	1053	AM:	AGENCY/POLT. SUB	Nebraska Pu	blic Employees Retirement System			
RE\	/IEWED BY:	Gary Bush	DATE:	1/17/24	PHONE: (402) 471-4161			
CO	COMMENTS: Agree with the agency estimate of no fiscal impact.							

LB (1)	1053						FISCAL NOTE		
State Agency OR Political Subdivision Name: (2)		Nebras	Nebraska Public Employees Retirement System						
Prepare	Prepared by: (3) Teresa Zulauf		Date Prepared: (4) 1-1		1-16-24	Phone: (5)	402-471-7745		
		ESTIMATE PROV	IDED BY S	TATE AGEN	NCY OR POLITICAL	L SUBDIVIS	SION		
		FY	2024-25			FY 2025	<u>-26</u>		
		EXPENDITURES	<u>1</u>	<u>REVENUE</u>	EXPENDITU	<u>IRES</u>	<u>REVENUE</u>		
GENEI	RAL FUNI	DS	. <u></u>		_				
CASH I	FUNDS	0	. <u></u>		0				
FEDER	RAL FUNI	os	. <u></u>		_				
OTHE	R FUNDS		<u> </u>		_				
TOTAL	L FUNDS	0	- <u></u>		0				
LB 105		I to authorize extended-o	operation	s expenditui	res.	ne.			
Persona	al Services	5:			<u>TS OF EXPENDITU</u>	<u>KE</u>			
	POSIT	ION TITLE -	UMBER O	F POSITION <u>25-26</u>	S 2024-25 <u>EXPENDITU</u>		2025-26 EXPENDITURES		
Benefit	s				_				
Operati	ing								
Travel.									
Capital	outlay								
Aid									
Capital	improven	nents							
TO'	TAL								

LB 1053 Fiscal Note 2024

State Agency Estimate							
State Agency Name: Department of	f Revenue				Date Due LFO:		
Approved by: James R. Kamm		Date Prepared:	02/07/2024		Phone: 471-5896		
	FY 2024	<u>1-2025</u>	FY 202	<u>5-2026</u>	FY 202	<u>6-2027</u>	
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue	
General Funds		Minimal		Minimal		Minimal	
Cash Funds							
Federal Funds							
Other Funds							
Total Funds		Minimal		Minimal		Minimal	

LB 1053 amends the Nebraska Teacher Recruitment and Retention Act (Act). LB 1053 adds an extended-career retention grant of \$2,500 if on or after June 1, 2024, a teacher:

- a) Qualifies for an unreduced retirement annuity benefit under either:
 - a. subdivision (5)(c) or subsection (6) of section 79-934 or subsection (1) or (2) of section 79-9,100.01, and
 - b. signs a contract to teach as a full-time teacher at a Nebraska school in school year 2024-25, 2025-26, 2026-27, 2027-28, or 2028-29.

A teacher will only be eligible to receive five extended career retention grants.

LB 1053 also extends the sunset date from January 1, 2028 to January 1, 2030.

LB 1053 will have minimal impact on General Fund revenues.

LB 1053 will have minimal costs to the Department of Revenue.

Major Objects of Expenditure									
Class Code Classification Title 24-25 25-26 26-27 24-25 25-26 2 Expenditures Expenditures Expenditures Expenditures Expenditures									
Benefits									
Travel									
Capital Improvements	Capital Outlay								
Total									

LB ⁽¹⁾ 1053				FISCAL NOTE
State Agency OR Political S	Subdivision Name: (2)	ducation		
Prepared by: (3) Lane (Carr	Date Prepared: (4) 2.	7.24 Phone: (5)	402.419.3012
E	STIMATE PROVIDED	BY STATE AGENCY	OR POLITICAL SUBDIVIS	ION
	FY 202	<u> 24-25</u>	FY 202.	<u>5-26</u>
	EXPENDITURES	<u>REVENUE</u>	EXPENDITURES	<u>REVENUE</u>
GENERAL FUNDS				
CASH FUNDS	\$81,274		\$80,358	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$81,274		\$80,358	
Explanation of Estimate:				

LB1053 amends the Nebraska Teacher Recruitment and Retention Act to add an "extended-career retention" provision. To make changes to the existing system, the NDE would need an app developer for the 2024-25 fiscal year.

BREAKD	OWN BY MAJO	OR OBJECTS OF	EXPENDITURE		
Personal Services:					
	NUMBER OF POSITIONS			2025-26	
POSITION TITLE	<u>24-25</u>	<u>25-26</u>	EXPENDITURES	EXPENDITURES	
IT Applications Developer Senior	.5		41,131	43,188	
Benefits			21,863	22,599	
Operating			16,988	13,071	
Travel			1,292	1,500	
Capital outlay					
Aid					
Capital improvements					
TOTAL			\$81,274	\$80,358	