

Revised to reflect AM3061

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	\$17,340,871	(\$3,500,000)	\$11,274,046	(\$2,250,000)
CASH FUNDS	\$3,500,000		\$2,250,000	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$20,840,871	(\$3,500,000)	\$13,524,046	(\$2,250,000)

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

AM3061 amends LB1284 as follows:

The Special Educators of Tomorrow Act & the Special Educators of Tomorrow Cash Fund are created. The act provides eligibility for scholarships or loans to individuals with at least two years of direct support professional experience, enrolled or planning to enroll in an eligible institution for special education teaching. From the 2024-25 to the 2029-30 school years, eligible students can annually apply for scholarships of up to \$2,500 & loans not exceeding \$4,000 per year, with specific conditions for repayment outlined in a contract. The fund will consist of transfers by the Legislature & loan repayments, penalties, & interest payments received in the course of administering the Special Educators of Tomorrow Act. The fund will be used to fund scholarships & loans to students pursuant to the Special Educators of Tomorrow Act.

The Special Education Teacher Forgivable Loan Program Act. The act will assist individuals studying to become special education teachers by supporting forgivable loans to those individuals who commit to teaching in Nebraska following their certification as a teacher with a special education endorsement. There is intent to assist individuals studying to become special education teachers by supporting forgivable loans to those individuals who commit to teaching in Nebraska following their certification as a teacher with a special education endorsement.

Beginning in the 2025-26 school year & subject to available appropriations, the Nebraska Department of Education (NDE) will develop a pilot program to make menstrual products, including both pads & tampons, available to each school district.

The Dyslexia Research Grant Program is created & will be administered by NDE. All grant money received under the Dyslexia Research Grant Program will be used only for the purpose of researching the use of artificial-intelligence-based writing assistance by individuals with dyslexia. That research will be focused on using aggregate writing analytics to identify writing errors & patterns that can be used by teachers to develop a comprehensive literacy plan for students with dyslexia.

The Psychology Practice Act found in §38-3113, is amended to clarify that it does not prevent certain activities, including teaching psychology, psychological research, or provision of services to organizations; allowing members of recognized professions, clergy, & certified school psychologists to practice within their scope; & permitting specified individuals, including graduate students, postdoctoral trainees, & those with a master's degree, to engage in psychology practice under the supervision of a licensed psychologist, subject to rules & regulations.

The Teach in Nebraska Today Program is established & administered by NDE, aiming to attract individuals to the teaching profession through student loan repayment assistance or grants for classroom service. Prior to the act's effective date, the program offers student loan repayment assistance capped at \$5,000 annually to eligible Nebraska residents currently teaching full-time. After the effective date, grants up to \$5,000 per year for up to five years are available to Nebraska residents teaching full-time for five years or less with an income below \$55,000.

The Nebraska Reading Improvement Act found in §79-2607, is amended to change the provisions to require NDE to develop & implement a professional learning system to help provide sustained professional learning & training in high quality instruction in reading for teachers who teach students in kindergarten through third grade at an approved or accredited school & teachers employed by an early childhood education program approved by the State Board of Education. The professional learning system will include information & tips for teachers related to helping students & families work with local family literacy centers to strengthen home & family literacy programs & better instruct students in reading. NDE will work with Educational Service Units (ESUs) to provide regional coaches to approved or accredited elementary schools to provide assistance & job-embedded training relating to instruction in reading to teachers who teach students in kindergarten through third grade.

The Nebraska Career Scholarship found in §85-3004, is amended to include Special Education to the list of designated programs of study beginning with the 2024-25 school year.

The Attracting Excellence to Teaching Program found in §85-3103, is amended to clarify student-teaching semesters & to allow an eligible student who is enrolling for a student-teaching semester to apply for an additional loan of up to \$3,000 for the student-teaching semester & receive up to a total of \$6,000 for the year.

The Excellence in Teaching Cash Fund found in §85-3112, is amended to allocate on an annual basis up to \$500,000 of the funds transferred to be exclusively for loans to any eligible student who is enrolling in a student-teaching semester during the award year pursuant to the Attracting Excellence to Teaching Program. The funds will be distributed to all eligible institutions according to the distribution formula as determined by rule & regulation. The eligible institutions will act as agents of the commission in the distribution of the funds to any eligible student for a student-teaching semester.

LB1284 amends §79-3301 to create the Computer Science & Technology Education Fund, to require NDE to establish a statewide computer science education expansion program, to provide training in computer science & technology education, & to provide powers & duties to the State Board of Education & NDE.

EXPENDITURES:

There is intent to transfer \$1,500,000 from the General Fund to the Special Educators of Tomorrow Fund for fiscal year 2024-25 & \$250,000 for each fiscal year thereafter. The Coordinating Commission for Postsecondary Education (CCPE) estimates that the Special Educators of Tomorrow program would cost \$53,750 to administer for FY24-25 & \$55,025 per year thereafter, until such time that program administration is no longer required (e.g., up to five years after the last loan is awarded).

NDE can award up to twenty-five forgivable loans each academic year for each eligible institution. Eligible students through the Special Education Teacher Forgivable Loan Program Act enter into a contract committing to teach in Nebraska schools, & upon compliance, NDE forgives twenty percent of the loan annually, culminating in complete forgiveness after five years. Depending on the institution that the twenty-five applicants attended, it is estimated that the range of the aid being given would be between \$144,000 & \$250,000 for each year. NDE estimates the for an additional FTE to create, monitor, track, & confirm compliance of the act. For FY2024-25, the FTE has a salary/benefits expense of \$82,605; & operating expenses of \$16,150. For FY2025-26, the FTE has a salary/benefits expense of \$85,168; & operating expenses of \$13,035. NDE estimates the for an additional FTE to create the application system to comply with the act. For FY2024-25, the FTE has a salary/benefits expense of \$133,036; & operating expenses of \$26,009.

There is intent to appropriate an amount not to exceed \$250,000 from the General Fund for fiscal year 2024-25 to NDE to carry out the distribution of menstrual product distribution pilot program.

The total amount of all grants awarded under the Dyslexia Research Grant Program will not be more than \$1,000,000.

The total amount of grants awarded for the Teach in Nebraska Today Program will not exceed \$10,000,000 in any fiscal year. 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. NDE estimates administrative expenses would be cash fund expenditures. However, the appropriation for the Teach in Nebraska Today Act (LB 1212, 2022) is General Funds for grant payments & administrative costs. As such we estimate the FTE expense in FY24-25 will be from the General Fund. Additionally, the bill increases total grant amounts per year from \$5,000,000 to \$10,000,000. For reference, about \$3,375,000 has been expended for grants in FY23-24 to date. The appropriation for this program for this biennium enacted in the biennial budget bill LB 814 (2023), is \$5 million per fiscal year from the General Fund for grants. Authorizing annual grant awards to be up to \$10,000,000 requires an additional appropriation of \$5,000,000 General Funds per fiscal year. The bill contains the emergency clause, & as such would also apply to grants awarded in FY23-24. It is reasonable to assume grant awards will be maximized due to grant eligibility categories under the bill, & as such, we estimate a need for an additional \$1,250,000 for FY23-24 & \$5,000,000 for FY24-25. To the extent NDE indicates funds from a prior year could be utilized for grants, it is important to note that there is no reappropriation of unexpended grant funds from FY22-23 in the enacted biennial budget, & therefore no remaining funds from the previous biennium to be utilized. The Nebraska Department of Revenue estimates expenses of \$67,213 for FY24-25 for a one-time programming charge paid to the OCIO for mainframe development & removing a line from 1040N & NebFile.

There is intent to appropriate \$10,000,000 from the General Fund for FY2024-25 & \$5,000,000 each fiscal year thereafter to NDE to provide regional coaches & job-embedded training relating to evidence-based reading instruction.

There is intent to transfer \$1,500,000 from the General Fund for fiscal year 2024-25 & for fiscal year 2025-26 to the Computer Science & Technology Education Fund to provide computer science & technology education training & support. There is intent to transfer an additional \$500,000 for fiscal year 2024-25 & each fiscal year thereafter from the General Fund to the Computer Science & Technology Education Fund contingent upon the receipt of matching private funds of such amount. NDE will provide written notification to the State Treasurer relating to the receipt of private funds that would trigger a state match.

Please complete ALL (5) blanks in the first three lines.

2024

LB⁽¹⁾ 1284, AM3061

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Attorney General

Prepared by: ⁽³⁾ Josh Shasserre Date Prepared: ⁽⁴⁾ 3-21-24 Phone: ⁽⁵⁾ 402-471-2687

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2024-25</u>		<u>FY 2025-26</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

No Fiscal Impact.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25</u>	<u>2025-26</u>
	<u>24-25</u>	<u>25-26</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

Please complete ALL (5) blanks in the first three lines.

2024

LB ⁽¹⁾ 1284 AM3061 Provide for a statewide computer science education expansion program

FISCAL NOTE

State Agency OR Political Subdivision Name:⁽²⁾ University of Nebraska System

Prepared by:⁽³⁾ Chris Kabourek Date Prepared:⁽⁴⁾ 3/25/2024 Phone:⁽⁵⁾ (402) 472-7102

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2024 - 25		FY 2025 - 26	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
CASH FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
FEDERAL FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
OTHER FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

Explanation of Estimate:

AM3061 would have a no fiscal impact on the University of Nebraska System.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024 - 25 EXPENDITURES</u>	<u>2025 - 26 EXPENDITURES</u>
	<u>24 - 25</u>	<u>25 - 26</u>		
	<u>0</u>	<u>0</u>		
	<u>0</u>	<u>0</u>		
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				

Please complete ALL (5) blanks in the first three lines.

2024

LB⁽¹⁾ 1284, AM 3061

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ State Treasurer

Prepared by: ⁽³⁾ Jason Walters Date Prepared: ⁽⁴⁾ March 21, 2024 Phone: ⁽⁵⁾ 402-471-2793

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2024-25</u>		<u>FY 2025-26</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

The State Treasurer’s Office doesn’t expect any fiscal impact from LB 1284, AM 3061 to the office.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25</u>	<u>2025-26</u>
	<u>24-25</u>	<u>25-26</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

Please complete ALL (5) blanks in the first three lines.

2024

LB⁽¹⁾ 1284 AM3061

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska State College System

Prepared by: ⁽³⁾ Monte Kramer Date Prepared: ⁽⁴⁾ 3-25-2024 Phone: ⁽⁵⁾ 402-471-2507

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2024-25</u>		<u>FY 2025-26</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

No fiscal impact.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25</u>	<u>2025-26</u>
	<u>24-25</u>	<u>25-26</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

Please complete ALL (5) blanks in the first three lines.

2024

LB⁽¹⁾ 1284 AM3061

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Coordinating Commission for Postsecondary Education

Prepared by: ⁽³⁾ Gary Timm Date Prepared: ⁽⁴⁾ 1/23/2024 Phone: ⁽⁵⁾ 402.471.0020

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2024-25</u>		<u>FY 2025-26</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS		-1,500,000		-250,000
CASH FUNDS	261,250	1,500,000	470,025	250,000
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	261,250	0	470,025	0

Explanation of Estimate:

LB 1284 AM3061 creates the Special Educators of Tomorrow Act consisting of two aid programs – a scholarship program with an annual award amount up to \$2,500 and a forgivable loan program with an annual award amount up to \$4,000. The loan program includes a forgiveness provision that would require administration for five years after graduation and a repayment provision that would require administration for a period of time to be determined in rule after default.

To fund this program, intent language was included that would transfer \$1.5 million from the General Fund to the Special Educators of Tomorrow Cash Fund for fiscal year 2024-25 and \$250,000 for each fiscal year thereafter through 2029-30 for a total of \$2,750,000.

The NE Department of Education's 2023-24 Teacher Vacancy Survey Report identified 134 special education positions filled with someone other than a fully qualified teacher and 76 vacant special education positions for a total of 210 unfilled positions. This does not include any retirements or turnovers that would occur over the next several years. Assuming 35 scholarship awards each year and 30 loan awards each year, with a majority of the loans being awarded to the same student after their two-year scholarship has been used, a potential of 210 students would be available to fill these positions, provided they would choose the special education path (see chart below).

A 0.5 FTE Program Associate would be needed to administer this program with estimated administrative and aid costs of: Salary \$25,000, Benefits \$15,500, Postage \$500, CIO Charges \$3,000, Rules and Regs hearing (2024-25) \$750, Rent \$3,000, Legal Services \$6,000 (loan program). Clarification that administrative costs can be spent out of the Special Educators of Tomorrow Cash Fund will need to be included in the bill.

	<u>2024-25</u>		<u>2025-26</u>		<u>2026-27</u>		<u>2027-28</u>		<u>2028-29</u>		<u>2029-30</u>		<u>2030-31 - 2034-35 *</u>		<u>Total</u>		
	<u>Award Amount</u>	<u>Awards</u>	<u>Cost</u>	<u>Awards</u>	<u>Cost</u>	<u>Awards</u>	<u>Cost</u>	<u>Awards</u>	<u>Cost</u>	<u>Awards</u>	<u>Cost</u>	<u>Awards</u>	<u>Cost</u>	<u>Awards</u>	<u>Cost</u>	<u>Students Awarded</u>	
Transfer from General Fund			1,500,000		250,000		250,000		250,000		250,000		250,000		0	2,750,000	
Scholarship (2 year max)	\$2,500	35	87,500	70	175,000	70	175,000	70	175,000	70	175,000	35	87,500			210	875,000
Loan (3 year max)	\$4,000	30	120,000	60	240,000	90	360,000	90	360,000	60	240,000	30	120,000			180	1,440,000
Aid payments			207,500		415,000		535,000		535,000		415,000		207,500		0	390	2,315,000
Admin costs			53,750		55,025		55,025		55,025		55,025		55,025		106,125		435,000
Total Expenditures			261,250		470,025		590,025		590,025		470,025		262,525		106,125		2,750,000
Ending Cash Balance			1,238,750		1,018,725		678,700		338,675		118,650		106,125		0		0

* Loan program administration would need to continue for at least five years after the last loan was awarded.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25</u>	<u>2025-26</u>
	<u>24-25</u>	<u>25-26</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Program Associate	0.5	0.5	25,000	26,250
Benefits.....			15,500	16,275
Operating.....			13,250	12,500
Travel.....				
Capital outlay.....				
Aid.....			207,500	415,000
Capital improvements.....				
TOTAL.....			261,250	470,025

Please complete ALL (5) blanks in the first three lines.

2024

LB⁽¹⁾ 1284 AM3061

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Public Employees Retirement Systems (NPERS)-085

Prepared by: ⁽³⁾ Teresa Zulauf Date Prepared: ⁽⁴⁾ 3/25/2024 Phone: ⁽⁵⁾ 402-471-7745

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2024-25</u>		<u>FY 2025-26</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	<u>0</u>	_____	<u>0</u>	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>0</u>	_____	<u>0</u>	_____

Explanation of Estimate:

No fiscal impact to NPERS Agency 085 operations expenditures.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25 EXPENDITURES</u>	<u>2025-26 EXPENDITURES</u>
	<u>24-25</u>	<u>25-26</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____