

PREPARED BY: Bill Biven, Jr.
 DATE PREPARED: February 09, 2024
 PHONE: 402-471-0054

LB 1398

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	See Below		See Below	
CASH FUNDS				
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.

LB1398 amends §79-1142 to change provisions relating to reimbursement for special education programs & support services relating to option students.

In addition to any other amount received by the school district for special education & support services, a school district that provides special education programs & services to an option student will be reimbursed for the special education & support services provided to the student in an amount equal to 100% of the cost for those services for the first year & 20% for each year thereafter that the student remains an option student at that school district.

Reimbursements will be made from funds set aside for that purpose within sixty days after receipt of a reimbursement request submitted to & including any documentation required by the Nebraska Department of Education (NDE) for the services provided, except that if there are not any funds available for the remainder of the state fiscal year for those reimbursements, the reimbursement will occur within thirty days after the beginning of the immediately following state fiscal year. NDE can audit any required documentation & subtract any payments made in error from future reimbursements.

EXPENDITURES:

NDE will set aside separate amounts from the appropriations for special education approved by the Legislature for reimbursements for students receiving special education services & students receiving support services for each state fiscal year. The amounts set aside for that purpose will not exceed \$1,000,000 per state fiscal year.

Option students & special education programs & services are factored into the Tax Equity and Educational Opportunities Support Act (TEEOSA) calculation so there may be changes but those changes cannot be determined at this time.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB:	1398	AM:	AGENCY/POLT. SUB: Nebraska Department of Education
REVIEWED BY:	Gary Bush	DATE:	2/8/24 PHONE: (402) 471-4161
COMMENTS: No basis to disagree with the estimate provided by the agency given the assumptions used.			

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

2024

LB⁽¹⁾ 1398

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ NE Department of Education

Prepared by: ⁽³⁾ Bryce Wilson Date Prepared: ⁽⁴⁾ 2/7/24 Phone: ⁽⁵⁾ 402-471-4320

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:

LB 1398 provides up to \$1 million of the current special education appropriation for special education costs of option enrollment students. Districts can request reimbursement after expenses are incurred for up to 100% of expense of first year option students and 20% for option students after year one.

This bill would result in reimbursement being doubled up for 80% of the first-year option students special education services. The additional 20% reimbursement would result in special education costs being fully reimbursed for option students after the first year of the option.

The exact fiscal impact is unknown but could be up to \$1 million for additional State reimbursement for Special Education costs.

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.....	_____	_____	_____	_____