

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2023-24		FY 2024-25	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
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.

This bill establishes the Rural Nebraska Nursing Workforce Act (Act) and directs the Department of Health and Human Services (DHHS) to administer a scholarship program to qualifying students for an approved clinical and learning education of nursing students.

The bill states legislative intent to appropriate from an unspecified fund \$1 million in FY24 and \$2 million in FY25 to carry out the Act and an additional \$1 million in FY24 for the expansion of approved clinical and learning environments to accommodate additional students pursuant to the Act. DHHS would need 1 FTE Program Manager starting in October 2023 to administer the program and ensure compliance. The cost of salary, benefits, and added operational expenses for such an employee would be \$68,622 in FY24 and \$96,072 in FY25. Assuming the funds utilized would be general funds and administrative costs would be in addition to the aid award amounts, the cost would be \$2,068,622 in FY24 and \$2,096,072 in FY25. If the administrative costs would be taken out of the total aid award the award would be limited to \$1,931,378 in FY24 and \$1,903,928 in FY25.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB:	503	AM:	AGENCY/POLT. SUB: Nebraska Department of Health & Human Services
REVIEWED BY:	Ann Linneman	DATE:	2-15-2023
		PHONE:	(402) 471-4180
COMMENTS: The Nebraska Department of Health and Human Services' analysis and estimate of fiscal impact to the department appears reasonable.			
Technical Note: The current appropriation language is not sufficient to create an appropriation. The fiscal impact assessment assumes an accompanying A-bill articulating appropriation in accordance with §49-804.			

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

Prepared by: (3) John Meals

Date Prepared 2-15-2023

Phone: (5) 471-6719

	<u>FY 2023-2024</u>		<u>FY 2024-2025</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$2,000,000		\$2,000,000	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$2,000,000	\$0	\$2,000,000	\$0

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

LB 503 creates the Rural Nebraska Nursing Workforce Act to address the nursing workforce shortage by awarding scholarships to students who intend to enroll in an accelerated Bachelor of Science in nursing (BSN) program. The Department of Health and Human Services (DHHS) will be impacted by this bill since additional staff members will be required to complete the new work duties.

LB 503 intends to appropriate \$1,000,000 in FY24 and \$2,000,000 in FY25 from an unnamed fund to carry out the Rural Nebraska Nursing Workforce Act. LB503 also intends to appropriate an additional \$1,000,000 from an unnamed fund in FY24 for the expansion of approved clinical and learning environments to accommodate additional students pursuant to the Rural Nebraska Nursing Workforce Act. LB 503 does not designate a funding source for administrative costs. This fiscal note assumes the total funds required for the program is the amounts stated for FY24 and FY25 and the corresponding A bill will properly separate aid and administrative costs to the correct budget program.

An additional FTE, Program Manager I, will be necessary to carry out these duties. The new Program Manager I will handle all paperwork, documentation, and reports necessary to successfully implement LB 503 and produce the desired outcomes. Procurement personnel will be necessary to assist with award drafting and send awards for signature and use Information Technology (IT) programs to allocate funds. The procurement costs will be absorbed by DHHS.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:

POSITION TITLE	NUMBER OF POSITIONS		2023-2024	2024-2025
	23-24	24-25	EXPENDITURES	EXPENDITURES
G78791 – DHHS Program Manager I (\$27.204)	.75	1	\$42,438	\$59,414
Benefits.....			\$14,853	\$20,795
Operating.....			\$11,331	\$15,863
Travel.....				
Capital Outlay.....				
Aid.....			\$1,931,378	\$1,903,928
Capital Improvements.....				
TOTAL.....			\$2,000,000	\$2,000,000