

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			See below	
CASH FUNDS			See below	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS			See below	

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

LB811 amends & revises several statutes to change the provisions relating to: lottery funds that are used for education, the Student Discipline Act, provide for use of physical contact or physical restraint or removal from a class in response to student behavior, create the Behavioral Training Cash Fund, provide for behavioral awareness & intervention training, & provide powers & duties to the state security director.

The balance of the Nebraska Education Improvement Fund on August 1, 2024, will be transferred to the Behavioral Training Cash Fund.

For school year 2024-25, & each school year thereafter, using data from the fall personnel report filed for the immediately preceding school year, each district will receive behavioral training funding paid from the Behavioral Training Cash Fund for each school within the district that has any grade above kindergarten, including, but not limited to, a special education school, an alternative school, or a focus school.

The base training reimbursement will be two thousand dollars. The amount to be paid for each additional training reimbursement unit for each school year will equal the ratio of the difference of the amount available for distribution in the Behavioral Training Cash Fund on August 10 immediately preceding such school year minus the total of the base training reimbursements for all districts divided by the total additional training reimbursement units for all districts.

Behavioral training funding will not be including in the local system formula when calculating state aid.

Before the beginning of the 2024-25 school year, each district will ensure that behavioral awareness & intervention training is offered annually. Administrators, teachers, paraprofessionals, school nurses, & counselors who have received the training from the district in which they are employed will receive a behavioral awareness & intervention training review at least once every three years.

On or before September 1, 2024, & on or before September 1 of each year thereafter, each district will submit a behavioral awareness & intervention training report to the state school security director. The report will include the district behavioral awareness & intervention training plan, summarize how the plan fulfills the requirements & provide any other information required by the rules & regulations adopted.

On or before October 31, 2024, & each October 31 thereafter, the state school security director will certify the compliance or noncompliance with the requirements of each district to the Commissioner of Education.

Prior to the end of the 2026-27 school year, each school district will ensure that administrators, teachers, paraprofessionals, school nurses, & counselors receive behavioral awareness & intervention training. Each district can provide the training, or similar training, to any other school employees at the discretion of the district. In addition, all school employees will have a basic awareness of the goals, strategies, & schoolwide plans included in the training.

TECHNICAL NOTE:

The balance of the Nebraska Education Improvement Fund on August 1, 2022, was \$2,818,355, which included the minimum balance of ten percent of the revenue received by the fund & the three percent to be allocated for distance education incentives. The ten percent required minimum & all other distributions of the lottery funds will expire on June 30, 2024 & there is no mention of how the lottery funds will be allocated after the initial transfer into the Behavioral Training Cash Fund so the lottery funding being transferred into the Nebraska Education Improvement Fund each quarter after August 1, 2024 will not be available for use without a statutory change of how those funds can be allocated.

EXPENDITURES:

Nebraska has 1,009 public schools across 244 school districts. Of those, two have over 160 teachers, and 27 between 80 and 160 teachers. The remaining have fewer than 80 teachers. NDE estimates the total cost of training to be \$2,080,000.

NDE estimates the need for an additional FTE to manage & support the districts with this act. For FY24-25; the FTEs salary/benefits will be \$83,847, the operating costs will be \$7,431, & the travel costs will be \$5,546.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB:	811	AM:	AGENCY/POLT. SUB: Nebraska Department of Education
REVIEWED BY:	Gary Bush	DATE:	2/27/23 PHONE: (402) 471-4161
COMMENTS: Disagree with the agency identifying General Funds being required. The bill states that payments will be provided from a cash fund. No basis to disagree with the estimate of for needing an additional staff person. The agency has sufficient resources withing their operations to support the activity of the bill and additional appropriations would be unnecessary. Any costs not reimbursed by the state would increase district costs and this there could be an impact to the TEEOSA school aid formula in two years as those costs get added to the formula needs of the district. The bill is silent on a future funding source.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB:	811	AM:	AGENCY/POLT. SUB: Nebraska Department of Revenue
REVIEWED BY:	Gary Bush	DATE:	2/23/23 PHONE: (402) 471-4161
COMMENTS: No basis to disagree with the estimate to the agency provided the Department of Revenue.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB:	811	AM:	AGENCY/POLT. SUB: State Auditor
REVIEWED BY:	Gary Bush	DATE:	1/23/23 PHONE: (402) 471-4161
COMMENTS: Agree with the Auditor that there would be no fiscal impact related to the changes required by the bill.			

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2023

LB⁽¹⁾ 811

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Education

Prepared by: ⁽³⁾ Lane Carr Date Prepared: ⁽⁴⁾ 2.22.23 Phone: ⁽⁵⁾ 4024193012

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2023-24</u>		<u>FY 2024-25</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>2,176,633</u>	<u> </u>	<u>2,176,824</u>	<u> </u>
CASH FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
FEDERAL FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
OTHER FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>2,176,633</u>	<u>0</u>	<u>2,176,824</u>	<u>0</u>

Explanation of Estimate:

LB811 Creates the Behavioral Training Cash Fund as part of the Lottery resources. The fund is administered by the State Department of Education and requires distribution of money to school districts for behavioral awareness and intervention training requirements.

LB673 requires collection of behavioral awareness and intervention training plans and certifying compliance or noncompliance as part of the duties of the state school security director.

The LB further identifies the approach for distributing the fund and allocates a base training reimbursement of \$2,000 for every school building with grades above kindergarten. Additional reimbursement is available in increments when teacher full time equivalent exceeds 80, 160 or 240. The training reimbursement will be paid out to school districts as part of TEEOSA but does not affect the equalization formula and will be received by both equalized and non-equalized districts.

There are 1009 public schools in 244 districts. Of those, two have over 160 teachers, and 27 between 80 and 160 teachers. The remaining have fewer than 80 teachers. As such, the total cost is estimated to be \$2,080,000. The NDE would need an FTE to manage and support the data collection, payment calculation, distribution, as well as provide support and technical assistance for the districts on the training.

NDE estimated the aid using information from the projection of lottery funds from the Dept. of Revenue.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2023-24</u>	<u>2024-25</u>
	<u>23-24</u>	<u>24-25</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Program Associate IV	<u>1</u>	<u>1</u>	<u>43,787</u>	<u>46,414</u>
Benefits.....			<u>36,319</u>	<u>37,433</u>
Operating.....			<u>11,143</u>	<u>7,431</u>
Travel.....			<u>5,384</u>	<u>5,546</u>
Capital outlay.....				
Aid.....			<u>2,080,000</u>	<u>2,080,000</u>
Capital improvements.....				
TOTAL.....			<u>2,176,633</u>	<u>2,176,824</u>

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2023

LB⁽¹⁾ 811

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Auditor of Public Accounts

Prepared by: ⁽³⁾ Craig Kubicek Date Prepared: ⁽⁴⁾ 1/19/2023 Phone: ⁽⁵⁾ 402-326-3063

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2023-24</u>		<u>FY 2024-25</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$0		\$0	
CASH FUNDS	\$0		\$0	
FEDERAL FUNDS	\$0		\$0	
OTHER FUNDS	\$0		\$0	
TOTAL FUNDS	\$0		\$0	

Explanation of Estimate:

Not a significant change to our current process.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2023-24</u>	<u>2024-25</u>
	<u>23-24</u>	<u>24-25</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				

State Agency Estimate

State Agency Name: Department of Revenue				Date Due LFO:		
Approved by: Glen White				Date Prepared: 02/23/2023		
				Phone: 471-5896		
	FY 2023-2024		FY 2024-2025		FY 2025-2026	
	<u>Expenditures</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Revenue</u>
General Funds		\$ 0		\$ 0		\$ 0
Cash Funds						
Federal Funds						
Other Funds						
Total Funds		\$ 0		\$ 0		\$ 0

LB 811 amends § 9-812(4) to add language stating that on August 1, 2024, the balance of the Nebraska Education Improvement Fund shall be transferred to the Behavioral Training Cash Fund, which is created later in the bill.

The remainder of the bill does not appear to impact DOR as it relates to behavioral training and physical interventions being used on children at school.

It is estimated that LB 811 will have no impact on General Fund revenues.

It is estimated that there will be no cost to Department of Revenue to implement this bill.

Major Objects of Expenditure

<u>Class Code</u>	<u>Classification Title</u>	<u>23-24</u> <u>FTE</u>	<u>24-25</u> <u>FTE</u>	<u>25-26</u> <u>FTE</u>	<u>23-24</u> <u>Expenditures</u>	<u>24-25</u> <u>Expenditures</u>	<u>25-26</u> <u>Expenditures</u>
Total							

Benefits.....

Operating Costs.....

Travel.....

Capital Outlay.....

Capital Improvements.....