

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)					
EXPENDITURES	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	0	SEE BELOW	0	0	SEE BELOW
FY2027-2028	0	SEE BELOW	0	0	SEE BELOW
FY2028-2029	0	0	0	0	0
REVENUE	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	0	0	0	0	0
FY2027-2028	0	0	0	0	0
FY2028-2029	0	0	0	0	0

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

LB1201 amends §79-1021 & §79-2601 to amend the uses of the Education Future Fund, the Nebraska Reading Improvement Act, & to provide for a grant program related to classroom libraries and engagement materials.

The allowable uses for the Education Future Fund are expanded to provide funding for a grant program related to the Nebraska Reading Improvement Act.

For the 2026-27 & 2027-28 school years & subject to available appropriations, the Nebraska Department of Education (NDE) will develop & administer a grant program to provide high-quality, age-appropriate classroom libraries & monthly parent or caregiver engagement materials in cooperation with a Nebraska-based nonprofit organization with at least ten years of experience in book distribution.

On or before December 1, 2028, NDE will submit a report electronically to the Clerk of the Legislature & the Education Committee of the Legislature relating to the grant program. The report will include, to the extent possible, quantitative & qualitative metrics based on statewide assessments, assessments administered under the Nebraska Reading Improvement Act, & classroom assessments of reading proficiency, reading skills, or literacy acquisition.

The bill contains the emergency clause.

FISCAL IMPACT:

There is stated intent for the Legislature to appropriate up to one million dollars from the Education Future Fund (EFF) to NDE for both FY2026-27 & FY2027-28 for the grant programs related to the Nebraska Reading Improvement Act.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: **1201** AM: AGENCY/POLT. SUB: **Nebraska Department of Education**

REVIEWED BY: Kimberly Burns DATE: 02/05/2026 PHONE: (402) 471-4171

COMMENTS: Concur with the Nebraska Department of Education's assessment of fiscal impact from LB 1201.
Technical Note: The current bill appropriation language is not sufficient to create an appropriation. The fiscal impact estimate assumes an accompanying A-bill articulating appropriation in accordance with §49-804.

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2026

LB⁽¹⁾ 1201

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Education

Prepared by: ⁽³⁾ Lane Carr Date Prepared: ⁽⁴⁾ 2.4.26 Phone: ⁽⁵⁾ 402.419.3012

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2026-27</u>		<u>FY 2027-28</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS				
CASH FUNDS	\$1 million		\$1 million	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$1 million		\$1 million	

Explanation of Estimate:

LB1201 creates a new grant program to be developed and administered by the NDE. The bill specifies \$1 million to be appropriated in 2026-27 and 2027-28 fiscal years from the Education Future Fund. The NDE could administer the grant with current resources.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2026-27 EXPENDITURES</u>	<u>2027-28 EXPENDITURES</u>
	<u>26-27</u>	<u>27-28</u>		
Benefits.....				
Operating.....			\$1 million	\$1 million
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			\$1 million	\$1 million