

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2025-26		FY 2026-27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	SEE BELOW		SEE BELOW	
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.

LB528 amends §79-1054 to change provisions relating to grants funded from the Nebraska Department of Education (NDE) Improvement Grant Fund & to provide powers & duties to the Department of Economic Development (DED) relating to grants for learning platforms.

DED will take over the oversight from NDE pertaining to establishing a grant program to procure or purchase an annual license for a preexisting learning platform to be used in schools to engage students in coursework & careers in science, technology, & engineering.

A grant application approved by the DED will be awarded from the Nebraska Department of Education Improvement Grant Fund administered by NDE.

The learning platform will be designed to teach information related to chemistry, physical science, or mathematics & will align with the academic content standards established by the State Board of Education relating to high school chemistry or physical science & the equivalent of those standards used for middle school education & complies with the ISO 27001 data security standards.

Grant funds will only be used to procure or purchase an annual license & will not be awarded for the purpose of research & development of a learning platform.

FISCAL IMPACT:

The ending fund balance for FY23-24 was \$3,237,225.

The Appropriations Committee has included a transfer of \$1,700,000 in FY2025-26 from the State Department of Education Improvement Grant Fund to the Education Future Fund. This transfer could affect the amount of funding available for DED to use.

DED estimates the need for 0.5 of an FTE for FY2025-26 & 0.25 of an FTE for FY2026-27 to research the education standards, create & review applications, award & monitor the grant, & compile & prepare the required reporting. For FY2025-26, the FTE will have a salary/benefit expense of \$44,900; operating costs of \$9,870; & travel expenses of \$3,330. For FY2026-27, the FTE will have a salary/benefit expense of \$22,450; operating costs of \$5,720; & travel expenses of \$1,750.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 528	AM:	AGENCY/POLT. SUB: Department of Education	
REVIEWED BY: Kimberly Burns	DATE: 02/28/2025	PHONE: (402) 471-4171	
COMMENTS: The Department of Education's assessment of no fiscal impact from LB 528 appears reasonable.			

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

LB: **528** AM: AGENCY/POLT. SUB: **Department of Economic Development**

REVIEWED BY: Kimberly Burns DATE: 02/28/2025 PHONE: (402) 471-4171

COMMENTS: No basis to disagree with the Department of Economic Development's estimate of fiscal impact resulting from LB 528.

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

2025

LB⁽¹⁾ 528

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Education

Prepared by: ⁽³⁾ Lane Carr Date Prepared: ⁽⁴⁾ 2.24.25 Phone: ⁽⁵⁾ 402.419.3012

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2025-26</u>		<u>FY 2026-27</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 Board of Education is currently charged with selecting a three-dimensional, game-based learning platform for use in school districts by middle school and high school students. The NDE opened applications in fall of 2024 and no applicants met specifications of statute or standards set by the State Board of Education.

LB528 would have the Department of Economic Development be responsible for selecting the learning platform vendor. There would be no cost to the NDE.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</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.

2025

LB⁽¹⁾ 528--Revised

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Department of Economic Development

Prepared by: ⁽³⁾ Dave Dearmont Date Prepared: ⁽⁴⁾ 2/27/25 Phone: ⁽⁵⁾ (402) 471-3777

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2025-26		FY 2026-27	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	\$2,460,000	_____	\$2,413,000	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>\$2,460,000</u>	_____	<u>\$2,413,000</u>	_____

Explanation of Estimate:

LB528 would reassign the responsibilities for a grant program from the State Board of Education to the Department of Economic Development. Grant awards will be paid from funds the State Department of Education Improvement Grant Fund administered by the State Department of Education.

The purpose of the grant is to procure or purchase annual licenses for an existing learning platform for use in schools to engage students in coursework and careers in science, technology and engineering. Potential developers would apply to DED to provide a learning platform that

- Designed to teach information related to chemistry, physical science or mathematics
- Aligns with State Board of Education standards
- Connect standards with real-world technologies and applications
- Highlights science, technology and engineering career pathways in Nebraska
- Complies with ISO 27001 data security standards
- Demonstrates experience with statewide implementation of a learning platform

Assuming that the program will require an RFP for awarding the grant, and one awardee, DED estimates that this will require the services of ½ an FTE of an Economic Development Business Consultant II to research the education standards, create and review applications, award and monitor the grant and compile and prepare required reporting. DED estimates that approximately \$2,460,000 and \$2,413,000 will be available for the program in FY2025-26 and FY2026-27, respectively. Operating costs also include \$8,500 annually for software licenses for the Department’s grant management software.

Technical Note: The starting date for DED’s involvement in the grant program is January 1, 2024, and annual reporting is due on July 1 each year beginning in 2024. The operative date for LB528 is assumed to be October 1, 2025. In addition, the grant program is to be funded from a Department of Education cash fund, which makes it difficult for DED to monitor spending and account balances in the state accounting system as DED would not have access to other agency’s reports.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
A49012 Econ Dev. Bus Consultant II	0.50	0.25	\$33,260	\$16,630
Benefits.....			11,640	5,820
Operating.....			17,260	13,110
Travel.....			3,330	1,750
Capital outlay.....			0	0
Aid.....			2,394,510	2,375,690
Capital improvements.....				
TOTAL.....			\$2,460,000	\$2,413,000