

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2013-14		FY 2014-15	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$10,000,000		\$10,000,000	
CASH FUNDS		\$10,000,000		\$10,000,000
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000

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

LB 190 appropriates \$10 million from the General Fund for FY2013-14 and \$10 million from the General Fund for FY2014-15 to the Early Childhood Education Endowment Cash Fund.

Current law requires for the interest, earnings and proceeds of the endowment cash fund to be provided as grants for early childhood education programs for at-risk children from birth to age 3. Grants may be for up to 50% of the total budget of the programs. Up to 10% of the amounts deposited in the fund each fiscal year may be used for evaluation and technical assistance.

The State Department of Education indicates there will be increased expenses for the department to allocate the grant funds each fiscal year. Estimated costs are about \$8,300 in FY14 and \$8,600 in FY15. It is assumed the agency can handle distribution of additional funds with existing staff and resources.

Technical Note: Section 79-1104.02 provides that the Early Childhood Education Cash Endowment Fund shall consist of the interest, earnings, and proceeds from the Early Childhood Education Endowment Fund, earnings from the private endowment and any additional private donations thereto. It appears the deposit of general funds into the Endowment Cash Fund would be prohibited by this statute.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES		
LB: 190	AM:	AGENCY/POLT. SUB: Department of Education
REVIEWED BY: Matthew Eash	DATE: 2/28/2013	PHONE: 402-471-4175
COMMENTS: The Department's estimate of increased operations expense appears reasonable. Concur that up to \$1,000,000 of the funding to the Early Childhood Endowment Cash Fund could be used for administrative costs by the Board of Trustees.		

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

2013

LB⁽¹⁾ 190 FISCAL NOTE

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

Prepared by: (3) Melody Hobson Date Prepared: (4) 1/22/13 Phone: (5) 401-471-0263

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2013-2014</u>		<u>FY 2014-2015</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$10,000,000		\$10,000,000	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

Explanation of Estimate:

LB 190 calls for the appropriation of \$10,000,000 each year of the biennium from General Funds. Up to 10% of any appropriation may be used for evaluation and technical assistance. Those expenses are contracted as determined by the Early Childhood Endowment Board of Trustees. They are illustrated in the first expense table on this fiscal note. The Expense to NDE is for time estimated for the Grants Manager from the Office of Early Childhood and time estimated for an Administrative Specialist II to process the additional claims for the Early Childhood Education Grant Program for birth to age 3. NDE does not have access to any of the money from the Early Childhood Education Endowment Cash Fund. The money set aside by the Early Childhood Endowment Board of Trustees for Technical Assistance and Evaluation is used by the Endowment Provider (the Nebraska Children and Families Foundation) for technical assistance and also contracted to an evaluator to collect and analyze data. The Early Childhood Endowment Board of Trustees cannot provide any money to NDE to cover the cost of administering the program. Therefore the cost to NDE has been calculated and shown separately.

**Major Objects of Expenditure
From LB 190**

	<u>EXPENDITURES</u> 2013-2014	<u>EXPENDITURES</u> 2014-2015
Positions.....		
Benefits.....		
Operating.....	Up to 1,000,000	Up to 1,000,000
Travel.....		
Capital outlay.....		
Aid.....	9,000,000 +	9,000,000 +
Capital improvements.....		
TOTAL.....	10,000,000	10,000,000

**MAJOR OBJECTS OF EXPENDITURE
From Nebraska Department of Education Funds**

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2013-2014</u>	<u>2014-2015</u>
	<u>13-14</u>	<u>14-15</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Education Specialist II	.05	.05	2,396	2,450
Administrative Specialist II	.05	.05	2,396	2,450
Benefits.....			3,068	3,313
Operating.....			413	385
Travel.....				
Capital outlay.....				

Aid.....
Capital improvements.....
TOTAL.....

_____	_____
_____	_____
_____	_____
8,273	8,598