

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 | | | | |
| CASH FUNDS | (\$51,970) | (See Below) | (\$56,970) | (See Below) |
| FEDERAL FUNDS | | | | |
| OTHER FUNDS | | | | |
| TOTAL FUNDS | (\$51,970) | (See Below) | (\$56,970) | (See Below) |

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

LB 116 establishes requirements for dual-enrollment courses that are offered to high school students. The bill requires the course syllabus, textbook, course outline, and student assessment to be the same as a comparable college-level course offered at a post-secondary educational institution. In addition, instructors must have a master’s degree and at least 18 hours of graduate-level study in the course content area for academic transfer courses. Instructors of career and technical education courses must meet the postsecondary institution’s faculty hiring requirements. Dual-enrollment courses offered by a postsecondary institution are required to follow dual-enrollment standards approved by the Coordination Commission for Postsecondary Education.

Postsecondary Education: The State Colleges indicate the requirement for high school teachers to have at least 18 hours of graduate-level study in the course content area may eliminate most of the people currently teaching dual-enrollment courses at the high schools. The colleges charge \$50 per credit hour for dual-enrollment courses and estimate decreased tuition revenue of \$320,850 in FY14 and \$332,850 in FY15 because the staff currently working with the colleges to teach dual-enrollment courses do not have the required 18 hours in the content area being taught. There will also be a corresponding annual decrease in expenditures for the state colleges of \$56,970. The reduction in expenditures will occur at Peru State College because high schools are paid \$10 per credit hour for courses taught in coordination with the college.

The University of Nebraska has similar concerns with the ability to deliver courses if the intent is to have a master’s degree and an additional 18 hours in the course content area.

State Department of Education (NDE): NDE will need to revise one or more rules dealing with teacher certificates and accreditation at an estimated one-time cost of \$1,000 general funds and \$600 cash funds. It is assumed the department has sufficient budget resources to revise rules without an increase in appropriation.

NDE also estimates a one-time cash fund cost of \$5,000 to revise a dual credit certificate application and make changes on the teacher certification website to reflect the new requirements. The department contracts with a consultant for website changes.

DAS BUDGET ANALYSTS’ COMMENTS ON NEXT PAGE

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|--|-----|------------------------|--|
| ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES | | | |
| LB: 116 | AM: | AGENCY/POLT. SUB: CCPE | |
| REVIEWED BY: Matthew Eash | | DATE: 1/24/2013 | PHONE: 402-471-4175 |
| COMMENTS: Concur; no fiscal impact. | | | |

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| ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES | | | |
| LB: 116 | AM: | AGENCY/POLT. SUB: Department of Education | |
| REVIEWED BY: Matthew Eash | | DATE: 1/24/2013 | PHONE: 402-471-4175 |
| COMMENTS: Rules and documentary revisions are part of the Department's normal operational duties, funding for which is contained within its base budget. No fiscal impact. | | | |

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| ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES | | | |
| LB: 116 | AM: | AGENCY/POLT. SUB: University of Nebraska | |
| REVIEWED BY: Matthew Eash | | DATE: 1/24/2013 | PHONE: 402-471-4175 |
| COMMENTS: There is no basis to determine a fiscal impact with regard to state appropriations for the University of Nebraska. | | | |

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| ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES | | | |
| LB: 116 | AM: | AGENCY/POLT. SUB: NE Community College Assn | |
| REVIEWED BY: Matthew Eash | | DATE: 1/16/2013 | PHONE: 402-471-4175 |
| COMMENTS: Concur; no fiscal impact | | | |

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

2013

LB⁽¹⁾ 116 FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Community College Association

Prepared by: ⁽³⁾ Dennis Baack Date Prepared: ⁽⁴⁾ 1/14/2013 Phone: ⁽⁵⁾ 402-471-4685

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

| | <u>FY 2013-14</u> | | <u>FY 2014-15</u> | |
|---------------|---------------------|----------------|---------------------|----------------|
| | <u>EXPENDITURES</u> | <u>REVENUE</u> | <u>EXPENDITURES</u> | <u>REVENUE</u> |
| GENERAL FUNDS | _____ | _____ | _____ | _____ |
| 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:

No fiscal impact.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

| <u>POSITION TITLE</u> | <u>NUMBER OF POSITIONS</u> | | <u>2013-14</u> | <u>2014-15</u> |
|---------------------------|----------------------------|--------------|---------------------|---------------------|
| | <u>13-14</u> | <u>14-15</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.

2013

LB⁽¹⁾ 116 FISCAL NOTE revised

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska State College System (NSCS)

Prepared by: ⁽³⁾ Carolyn Murphy Date Prepared: ⁽⁴⁾ 1/25/2013 Phone: ⁽⁵⁾ 402-471-2505

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

| | <u>FY 2013-14</u> | | <u>FY 2014-15</u> | |
|---------------|---------------------|------------------|---------------------|------------------|
| | <u>EXPENDITURES</u> | <u>REVENUE</u> | <u>EXPENDITURES</u> | <u>REVENUE</u> |
| GENERAL FUNDS | _____ | _____ | _____ | _____ |
| CASH FUNDS | <u>(56,970)</u> | <u>(320,850)</u> | <u>(56,970)</u> | <u>(332,850)</u> |
| FEDERAL FUNDS | _____ | _____ | _____ | _____ |
| OTHER FUNDS | _____ | _____ | _____ | _____ |
| TOTAL FUNDS | <u>(56,970)</u> | <u>(320,850)</u> | <u>(56,970)</u> | <u>(332,850)</u> |

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

Explanation of Estimate:

LB116 sets forth specific requirements for high school instructors who teach dual enrollment courses, in lieu of the NSCS's current team approach that pairs a college content expert with a high school teacher. The estimated revenue loss is based on the assumption that replacement teachers can't be found for the dual enrollment courses currently being taught by teachers who do not meet the requirements of LB116. The current dual enrollment rate charged to students is \$50 per credit hour. For courses at Peru State, the participating high school is paid \$10 per student credit hour, which is reflected in the corresponding savings on the expenditure side if these courses can no longer be offered.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

| <u>POSITION TITLE</u> | <u>NUMBER OF POSITIONS</u> | | <u>2013-14</u> | <u>2014-15</u> |
|---------------------------|----------------------------|--------------|---------------------|---------------------|
| | <u>13-14</u> | <u>14-15</u> | <u>EXPENDITURES</u> | <u>EXPENDITURES</u> |
| Benefits..... | _____ | _____ | _____ | _____ |
| Operating..... | _____ | _____ | <u>(56,970)</u> | <u>(56,970)</u> |
| Travel..... | _____ | _____ | _____ | _____ |
| Capital outlay..... | _____ | _____ | _____ | _____ |
| Aid..... | _____ | _____ | _____ | _____ |
| Capital improvements..... | _____ | _____ | _____ | _____ |
| TOTAL..... | _____ | _____ | <u>(56,970)</u> | <u>(56,970)</u> |

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

2013

LB⁽¹⁾ 116 FISCAL NOTE

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

Prepared by: ⁽³⁾ Michael Justus Date Prepared: ⁽⁴⁾ January 18, 2013 Phone: ⁽⁵⁾ 402-472-2191

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

| | <u>FY 2013-14</u> | | <u>FY 2014-15</u> | |
|--------------------|---------------------|----------------|---------------------|----------------|
| | <u>EXPENDITURES</u> | <u>REVENUE</u> | <u>EXPENDITURES</u> | <u>REVENUE</u> |
| GENERAL FUNDS | _____ | _____ | _____ | _____ |
| CASH FUNDS | _____ | _____ | _____ | _____ |
| FEDERAL FUNDS | _____ | _____ | _____ | _____ |
| OTHER FUNDS | _____ | _____ | _____ | _____ |
| TOTAL FUNDS | <u>_____</u> | <u>_____</u> | <u>_____</u> | <u>_____</u> |

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

Explanation of Estimate:

The University believes the intent is to require a teacher of dual enrollment to have a master's degree, and of the hours the teacher has in the master's, 18 of those have to be in the subject matter area that the teacher is teaching in.

The way the bill is drafted, it could be interpreted that a master's degree and then an additional eighteen hours are needed. This would impact the ability to deliver these courses.

We are unable to determine the impact of the bill as written.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

| <u>POSITION TITLE</u> | <u>NUMBER OF POSITIONS</u> | | <u>2013-14</u> | <u>2014-15</u> |
|---------------------------|----------------------------|--------------|---------------------|---------------------|
| | <u>13-14</u> | <u>14-15</u> | <u>EXPENDITURES</u> | <u>EXPENDITURES</u> |
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |
| Benefits..... | _____ | _____ | _____ | _____ |
| Operating..... | _____ | _____ | _____ | _____ |
| Travel..... | _____ | _____ | _____ | _____ |
| Capital outlay..... | _____ | _____ | _____ | _____ |
| Aid..... | _____ | _____ | _____ | _____ |
| Capital improvements..... | _____ | _____ | _____ | _____ |
| TOTAL..... | _____ | _____ | _____ | _____ |

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2013

LB⁽¹⁾ 116 FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Coordinating Commission for Postsecondary Education

Prepared by: ⁽³⁾ Carna Pfeil Date Prepared: ⁽⁴⁾ January 24, 2013 Phone: ⁽⁵⁾ 402-471-0029

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

| | <u>FY 2013-14</u> | | <u>FY 2014-15</u> | |
|---------------|---------------------|----------------|---------------------|----------------|
| | <u>EXPENDITURES</u> | <u>REVENUE</u> | <u>EXPENDITURES</u> | <u>REVENUE</u> |
| GENERAL FUNDS | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| CASH FUNDS | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| FEDERAL FUNDS | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| OTHER FUNDS | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| TOTAL FUNDS | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |

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

Explanation of Estimate:

We do not believe there will be any additional fiscal impact.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

| <u>POSITION TITLE</u> | <u>NUMBER OF POSITIONS</u> | | <u>2013-14</u> | <u>2014-15</u> |
|---------------------------|----------------------------|--------------|---------------------|---------------------|
| | <u>13-14</u> | <u>14-15</u> | <u>EXPENDITURES</u> | <u>EXPENDITURES</u> |
| | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Benefits..... | | | <u>0</u> | <u>0</u> |
| Operating..... | | | <u>0</u> | <u>0</u> |
| Travel..... | | | <u>0</u> | <u>0</u> |
| Capital outlay..... | | | <u>0</u> | <u>0</u> |
| Aid..... | | | <u>0</u> | <u>0</u> |
| Capital improvements..... | | | <u>0</u> | <u>0</u> |
| TOTAL..... | | | <u>0</u> | <u>0</u> |