

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	See below		See below	
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.

LB480 would create the Nebraska Career Technical Education Grant Program to be administered by the Coordinating Commission for Postsecondary Education. The bill would provide that community college students enrolled in at least twelve credit hours within a 12-month period who are enrolled in classes in a designated career technical education program and who intend to work in a business or industry in a critical industry field in Nebraska are to be eligible to annually apply for a grant of not more than \$1,000 per academic year under the program.

The bill provides that the Coordinating Commission, in conjunction with the Department of Labor and community colleges, is to identify critical industry fields in which technical careers are currently or are projected to be in high demand. The Nebraska Department of Labor indicates that compilation, projection and maintenance of industry and occupational data that would be necessary to support initial and ongoing identification of critical industry fields would entail costs for staff dedicated to such an effort as well as programming costs to set up queries to pull and match Office of Labor Market Information industry and occupational projections to use in identification of critical industry fields as provided by the bill. The Department estimates dedication of .75 FTE of a research analyst's workload during 2013-14 in the start-up phase of the program with .20 FTE to support the program for years thereafter. In total, the Department estimates LB480 costs at \$68,860 for the 2013-14 start-up year of the program and \$19,908 of continuing costs for 2014-15. Such estimates would appear to support a relatively comprehensive process for identification of critical industry fields. It would seem, however, that related costs would be at least somewhat dependent upon the approach the Coordinating Commission (as the lead administrative agency) may elect to pursue in the identification of critical industry fields.

The Coordinating Commission indicates uncertainty in terms of estimating costs to administer the Nebraska Career Technical Education Grant Program. LB367 creates the Nebraska Career Technical Education Grant Program Fund and authorizes the Coordinating Commission to solicit and receive donations from individuals, businesses, nonprofit organizations, or other sources for credit to the fund. The newly created fund is authorized to be used to carry out the purposes of the Nebraska Career Technical Education Grant Program. If it is intended that the Coordinating Commission is to undertake an active, aggressive and ongoing campaign to solicit funds for the program, the agency will require staff to dedicate to such an effort. Costs to administer the program will be dependent on the level of funding available to be disbursed as career technical education grants under provisions of LB480. It is unknown whether appropriations of state funds are intended in addition to amounts to accrue to the Nebraska Career Technical Education Grant Program Fund. The level of any such appropriations would apparently be at the discretion of the Legislature. With grants limited to \$1,000 per academic year per student, the volume of individual student grants to be administered will increase as a function of the level of grant funding available. Agency workload with respect to administration of the grant program will increase as the volume of individual grant recipients increases. The Coordinating Commission estimates a threshold of \$100,000 annually available for grant funding at which additional agency staffing would be required to support grant administration.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 480	AM:	AGENCY/POLT. SUB: Coordinating Commission for Postsecondary Education	
REVIEWED BY: Cindy Miserez		DATE: 1/30/2013	PHONE: 402-471-4174
COMMENTS: Cash Fund appropriation is needed to expend potential revenue from donations for financial assistance, administer the program and prepare the annual report. Concur with Coordinating Commission for Postsecondary Education that lack of funding specifics makes it difficult to estimate the fiscal impact.			

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

2013

LB⁽¹⁾ 480 FISCAL NOTE

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

Prepared by: ⁽³⁾ Carna Pfeil Date Prepared: ⁽⁴⁾ January 28, 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>Unknown</u>	<u>0</u>	<u>Unknown</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>Unknown</u>	<u>0</u>	<u>Unknown</u>	<u>0</u>

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

Explanation of Estimate:

The Commission finds it difficult to estimate expenses for administering the Nebraska Career Technical Education Grant program due to the fact there is no indication of the level of funding. If the program will only be funded by donations from individuals, businesses, and nonprofit organizations and there is no requirement to actively solicit donations, this would probably indicate the program will be a small program to administer.

However if general funds are allocated to this program and/or there is a requirement to actively solicit significant donations, and the total of those funds are more than \$100,000, the administration of the program would require additional personnel to operate the program, solicit additional funds, and determine the split of funds based on desires of the donor and/or the state.

This program will have a fiscal impact to administer, but at this point there is not sufficient information to estimate that impact. We reserve the right to submit a fiscal impact statement for administration of the program when and if there is more detail on the source of funding, level of funding per source, and the level of solicitation required for the program

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>
Unknown	<u>unknow</u>	<u>unknow</u>	<u>Unknown at this time</u>	<u>Unknown at this time</u>
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Benefits.....			<u>Unknown at this time</u>	<u>Unknown at this time</u>
Operating.....			<u>Unknown at this time</u>	<u>Unknown at this time</u>
Travel.....			<u>Unknown at this time</u>	<u>Unknown at this time</u>
Capital outlay.....			<u>Unknown at this time</u>	<u>0</u>
Aid.....			<u>unknown</u>	<u>unknown</u>

Capital improvements.....

0

0

Unknown at
this time

0

TOTAL.....

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

2013

LB⁽¹⁾ 480 FISCAL NOTE

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

Prepared by: (3) Debbie Kay Ward Date Prepared: (4) 01/29/2013 Phone: (5) 402-471-2492

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>\$68,860</u>	<u> </u>	<u>\$19,908</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>\$68,860</u>	<u> </u>	<u>\$19,908</u>	<u> </u>

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

Explanation of Estimate: LB480 stipulates that the Coordinating Commission for Postsecondary Education, in conjunction with the Department of Labor, identify critical industry fields in which technical careers are projected to be in high demand. The first year of implementation will be the most intensive and then should level off. This legislative bill will require some programing to set up queries to pull and match data. The Office of Labor Market Information produces industry and occupational projections that can be used to identify these fields. Synchronization of multiple data sources would be necessary to apply industry and occupation projections data to educational needs. This would require verification of programs of study being offered, matching job requirements to educational information, and ensuring that data needs meet the requirements of the bill. Staff time would be necessary to set up processes for compiling this data and ensuring ongoing maintenance of the files necessary for reporting.

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>
Research Analyst II	<u>0.75</u>	<u>0.20</u>	<u>\$32,106</u>	<u>\$8,921</u>
Benefits.....			<u>\$13,491</u>	<u>\$4,135</u>
Operating.....			<u>\$21,263</u>	<u>\$5,852</u>
Travel.....			<u>\$2,000</u>	<u>\$1,000</u>
Capital outlay.....			<u> </u>	<u> </u>
Aid.....			<u> </u>	<u> </u>
Capital improvements.....			<u> </u>	<u> </u>
TOTAL.....			<u>\$68,860</u>	<u>\$19,908</u>