

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2015-16		FY 2016-17	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	See Below		See Below	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

LB 101 requires the statewide assessment system to measure student progress toward academic preparedness for postsecondary education and careers beginning in school year 2016-17. The bill requires the State Board of Education to collaborate with public postsecondary educational institutions and with the Coordinating Commission for Postsecondary Education to identify an assessment system which indicates academic preparedness for postsecondary education and careers and which consists of multiple assessment administrations in order to evaluate progress. LB 101 provides that the assessment system shall consist of multiple assessment administrations in order to evaluate progress and may be realized through assessment instruments already referenced in state law.

College and Career Readiness: The fiscal note submitted by the State Department of Education (NDE) indicates the department has requested about \$2.7 million in FY16 and \$2.5 million in FY17 of additional general funds in the next biennium to maintain the state assessment system. The requested funds will be used to transition the state assessment system to match the English Language Arts standards that have been recently revised in FY16 and the Math standards in FY17. The new standards are deemed to be “college and career ready” and have been signed off on by postsecondary educational institutions. The revision of standards every five years is an on-going function of the state assessment system. So, the funding requested for the transition to the new standards is not assumed to be a cost related to the implementation of LB 101.

Collaboration between NDE, postsecondary educational institutions, and the Coordinating Commission for Postsecondary Education: The fiscal impact of LB 101 is assumed to be any additional expenses for NDE to collaborate with postsecondary educational institutions and the Coordinating Commission for Postsecondary Education. NDE estimates \$129,000 of general funds in each year of the next biennium for meetings with postsecondary representatives and to gather committees of teachers and administrators to research and identify statewide testing instruments.

If the Legislature provides funding to transition the testing instruments to match the newly developed career and college ready standards and the collaboration which has been done with postsecondary institutions to develop career and college ready standards meets the intent of the bill, then no additional funding may be needed for collaboration.

Assessment Instruments: The NDE fiscal note includes \$1,435,000 of general funds each fiscal year to pay to administer the ACT to high school students. Since the bill provides that existing assessment instruments referenced in state law may be used to meet the multiple assessment administrations required by the bill, it is assumed the provision of funding for the ACT is not required by the bill. Likewise, the evaluation of norm-referenced assessments does not appear to be required by the bill.

NDE Administrative Expenses: NDE also projects the need for a 1.0 Education Specialist to provide leadership for increased collaboration with higher education institutions and to coordinate multiple assessment contracts. The estimated general fund cost for an additional staff person is \$102,067 in FY16 and \$99,093 in FY17. This fiscal note assumes existing staff can handle the collaborative activities outlined in the bill.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES		
LB:101	AM:	AGENCY/POLT. Nebraska State College System (NSCS)
REVIEWED BY: James Van Bruggen	DATE: 1/15/2015	PHONE: 471-4171
COMMENTS: Concur		

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES		
LB:101	AM:	AGENCY/POLT. SUB: Coordinating Commission for Postsecondary Education
REVIEWED BY: James Van Bruggen	DATE: 1/14/2015	PHONE: 471-4171
COMMENTS: Concur		

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES		
LB:101	AM:	AGENCY/POLT. SUB: Metropolitan Community College
REVIEWED BY: James Van Bruggen	DATE: 1/13/15	PHONE: 471-4171
COMMENTS: Concur		

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

2015

LB⁽¹⁾ 101

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Nebraska Department of Education

Prepared by: ⁽³⁾

Valorie Foy

Date Prepared: ⁽⁴⁾

1/12/2014

Phone: ⁽⁵⁾

407-471-6469

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2015-16</u>		<u>FY 2016-17</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>4,433,874</u>	<u> </u>	<u>4,281,123</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>4,433,874</u>	<u> </u>	<u>4,281,123</u>	<u> </u>

Explanation of Estimate:

Costs for College and Career Readiness:

- The Fiscal Note for LB 101 includes two budget issues that were submitted in September 2014 to the Nebraska Legislature.
 - The first budget issue that was submitted included costs for transition of Nebraska State Accountability (NeSA) assessments to match the newly revised College and Career Ready English Language Arts Standards and in the subsequent year, the proposed revised College and Career Ready Mathematics Standards.
 - The second budget issue that was submitted included costs for transition of NeSA Alternate Assessment to match the newly revised College and Career Ready English Language Arts Standards and in subsequent year, the proposed revised College and Career Ready Mathematic Standards.
 - The one item asked for in the first budget issue that was removed in the costs included on this Fiscal Note are the costs for a .5 data position to carry out the calculations and reporting of the revised A QuESTT Accountability system to be implemented as required by the passage of LB 438. The .5 position would only be completing accountability work so would not be related to assessment work and to LB 101.
- ACT costs are included. Since the ACT is the most commonly used assessment submitted by Nebraska students upon application to Nebraska post-secondary institutions, consideration of statewide testing of ACT would be a possibility in the future.
- Collaboration with Post-Secondary costs are included for meetings and costs for committee members.
- The recommendation of the State Board for national assessment instruments for the purpose of national comparison needs to be re-evaluated. Costs for the evaluation of norm-referenced tests are included.
- Costs for an Education Specialist III position are included. The increasing tasks of transitioning and maintaining College and Career Ready aligned assessments, coordinating multiple assessment contracts, and providing leadership for increased collaboration significantly add to the work of the Assessment and Accountability department of NDE.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2015-16</u>	<u>2016-17</u>
	<u>15-16</u>	<u>16-17</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Education Specialist III	1.00	1.00	56,282	57,544
Benefits.....			29,216	31,469
Operating.....			4,178,661	4,022,242
Travel.....			169,715	169,868
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			4,433,874	4,281,123

January 15, 2015

LB 101 Fiscal Note costs

Position Title	2015-16		2016-17
	FY15-16	FY16-17	Expenditures
Education Specialist III	1	1	\$56,282.00
Benefits			\$29,216.00
Operating:			
Education Specialist III operating costs			\$11,454.00
Budget Issue Accountability-NeSA Testing			
Maintenance & Transition(No FTE/Operations)			\$1,626,207.00
Budget Issue Accountability-SPED Alternate-NeSA			
Testing Maintenance & Transition			\$1,031,000.00
ACT Contract -student admin costs			\$1,435,000.00
Norm-Referenced Assessment Evaluation Contract			\$75,000.00
Sub-Total			<u>\$4,178,661.00</u>
Travel: Ed. Specialist and Committee Members			
Education Specialist travel			\$5,115.00
Collaboration/Post Secondary Committee Meeting			
Costs			\$129,000.00
Norm-Referenced Assessment Evaluation			
Committee Meeting Costs			\$35,600.00
Sub-Total			<u>\$169,715.00</u>
Total			\$4,433,874.00
			\$4,281,123.00

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2015

LB⁽¹⁾ 101

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Nebraska State College System (NSCS)

Prepared by: ⁽³⁾ Carolyn Murphy

Date Prepared: ⁽⁴⁾ 1/15/2014

Phone: ⁽⁵⁾ 402-471-2505

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2015-16</u>		<u>FY 2016-17</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>No Impact</u>	_____	<u>No Impact</u>	_____

Explanation of Estimate:

LB101 requires collaboration on the part of the NSCS; however the bill appears to be focused on PK-12 assessment initiatives. The NSCS estimates no fiscal impact from participation in the collaboration.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2015-16</u>	<u>2016-17</u>
	<u>15-16</u>	<u>16-17</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.

2015

LB⁽¹⁾ 101

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Coordinating Commission for Postsecondary Education

Prepared by: ⁽³⁾ Gary Timm

Date Prepared: ⁽⁴⁾ 1/11/15

Phone: ⁽⁵⁾ 471-0020

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2015-16</u>		<u>FY 2016-17</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Explanation of Estimate:

As it relates to the Coordinating Commission for Postsecondary Education, LB101 requires the state board of education to collaborate with public postsecondary educational institutions and the Commission in evaluating a statewide assessment system. The Commission believes any costs associated with this collaboration would be minimal and can be accomplished within the existing appropriations of the Commission.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2015-16</u>	<u>2016-17</u>
	<u>15-16</u>	<u>16-17</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.

2015

LB⁽¹⁾ 101

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Metropolitan Community College

Prepared by: ⁽³⁾

David Koebel

Date Prepared: ⁽⁴⁾

1/13/2015

Phone: ⁽⁵⁾

402-457-2391

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2015-16</u>		<u>FY 2016-17</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:

No Fiscal Impact

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2015-16</u>	<u>2016-17</u>
	<u>15-16</u>	<u>16-17</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____