

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2019-20		FY 2020-21	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	See Below		See Below	
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 568 pertains to the allocation of lottery funds from the Nebraska Education Improvement Fund. The bill repeals the sunset date on the current allocation of lottery funds for educational purposes. Current law sunsets the allocation of lottery funds after FY2020-21 and requires the Education Committee to recommend how the funds should be allocated for the five year period beginning with FY2021-22. The bill continues the current distribution of lottery funding indefinitely but changes how the funds currently allocated for innovation grants can be used.

Innovation Grants: Seventeen percent of the funds allocated to the Education Innovation Grant fund are currently used for competitive innovation grants and a college entrance examination for eleventh graders. The bill provides for the competitive innovation grant funds to be used in these areas, including but not limited to: mental health first aid; early literacy; quality instructional material; personalized learning through digital education, or other innovation areas.

Mental Health First Aid Training: The bill requires the State Department of Education (NDE) to establish a mental health first aid training program for teachers and other school district or educational service unit (ESU) personnel who participate in a grant under the bill. The training is to be delivered by trainers who are certified by a national organization for behavioral health to provide the training.

NDE estimates there will be approximately \$2,495,000 of lottery funds available for innovation grants in FY20 and FY21. The bill specifically requires the department to establish a mental health first aid training program. It is assumed lottery funds will be used for this purpose.

NDE indicates there is a Mental Health First Aid training course that is available to train individuals to be instructors. The program is managed and operated by the National Council for Behavioral Health. A five-day instructor training program is \$2,000 per person. NDE projects the need for 25 trainers in the state who would be based at NDE and regionally at each ESU. The estimated cost of the instructor training program is \$50,000 (25 x \$2,000) in FY20 and \$40,000 (20 x \$2,000) in FY21.

The NDE assumption that approximately 12,000 teachers, administrators and other school personnel will take an eight hour course provided by the certified trainers in each year of the next biennium appears reasonable. The estimated cost per person for the training course is \$50. It is assumed that lottery funds will cover the estimated \$600,000 to provide training in each of the next two years.

Other Innovation Grants: It is estimated the mental health first aid program will use \$650,000 in FY20 and \$640,000 in FY21 of the total \$2,495,000 of lottery funds available for innovation grant programs. The remaining \$1,845,000 in FY20 and \$1,855,000 in FY21 may be used for the other new program areas identified in the bill such as early literacy, instructional materials, personalized learning through digital education, as well as other innovation areas, as is allowed per current law.

Removal of the Sunset Provision for Existing Lottery Allocations: The repeal of the provision which sunsets the current allocation of lottery funds after FY2020-21 means the following allocation of funds will continue in FY2021-22 and thereafter:

- 1% - Expanded Learning Opportunity Grant Fund
- 17% - NDE Education Innovative Grant Fund
- 9% - Community College Gap Assistance Fund
- 8% - Excellence in Teaching Cash Fund
- 62% - Nebraska Opportunity Grant Fund
- 3% - Distance Education Incentives

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB:	568	AM:	AGENCY/POLT. SUB: Dept. of Education
REVIEWED BY:	Gary Bush	DATE:	03/08/19 PHONE: (402) 471-4161
COMMENTS: No basis to disagree with the Dept. of Education's estimate of the costs to establish training for certified trainers. The estimate of costs appears to be reasonable.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB:	568	AM:	AGENCY/POLT. SUB: Coordinating Commission for Postsecondary Education
REVIEWED BY:	Gary Bush	DATE:	01/31/19 PHONE: (402) 471-4161
COMMENTS: Concur.			

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

2019

LB⁽¹⁾ 568

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Education

Prepared by: ⁽³⁾ Dean Folkers Date Prepared: ⁽⁴⁾ 1/30/2019 Phone: ⁽⁵⁾ 402-471-4740

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2019-20</u>		<u>FY 2020-21</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 Mental Health First Aid (MHFA) training requires that a certified trainer presents the information. The program is managed and operated by the National Council for Behavioral Health. A 5-day training for an instructor is \$2,000/person. It is estimated that creating capacity at NDE and regionally at each Educational Service Unit would provide an estimated 25 trainers in Nebraska (25 x 2,000/course = 50,000).

Once the certified trainers exist the training for teachers, schools, communities could be provided through a cost recovery approach for the 8 hour course provided by the trainers. It is estimated the costs for 8 hour training would be \$50/person. Targeting an estimated 12,000 educators, administrators, and school personnel that would potentially participate in the MHFA training (12,000 x \$50 = \$600,000)

As a proposed innovation grant area the initial costs of the Mental Health First Aid training and support would be provided through the Nebraska Education Improvement Fund. The total project would be estimated at \$650,000 to provide instructor training, educator training, and supporting the work of managing the innovation grant activity.

Subsequent re-certification of instructors in year 2 may cost an additional \$40,000 and educator training would move to a cost recovery approach.

There is no fiscal cost to the State or NDE as this bill just redirects lottery funds already coming to NDE.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2019-20</u>	<u>2020-21</u>
	<u>19-20</u>	<u>20-21</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.

2019

LB⁽¹⁾ 568

FISCAL NOTE

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

Prepared by: ⁽³⁾ Gary Timm Date Prepared: ⁽⁴⁾ 1-24-19 Phone: ⁽⁵⁾ 402-471-0020

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2019-20</u>		<u>FY 2020-21</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:

No fiscal impact for 2019-20 or 2020-21.

Current law provides for transfers from the State Lottery Operations Trust Fund to the Nebraska Education Improvement Fund through 2020-21. Two financial aid programs, the Nebraska Opportunity Grant program and the Community College Gap Assistance program, are funded by transfers from the Nebraska Education Improvement Fund. LB 568 removes the sunset date for transfers, providing continued funding for the two financial aid programs. Transfers made to the two financial programs during 2017-18 were:

Nebraska Opportunity Grant program	\$13.1 million
Community College Gap Assistance program	\$1.9 million

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2019-20</u>	<u>2020-21</u>
	<u>19-20</u>	<u>20-21</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____