

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>				
	<b>FY 2020-21</b>		<b>FY 2021-22</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS	4,074,294		3,871,670	
CASH FUNDS				
FEDERAL FUNDS	(63,594)		(32,751)	
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>4,010,700</b>		<b>3,838,919</b>	

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

LB1153 would change statute §79-730 to now include at least 2 alternative tests and the Nebraska State Board of Education may also develop one or more skill-based or competency-based assessments for people seeking a diploma of high school equivalency that shows that said person who is taking one of these tests has attained the educational development and abilities of the typical high school graduate. These new testing options would be available state-wide.

EXPENDITURES:

The Nebraska Department of Education estimates that they would need 7 FTE's for both FY2020-21 and FY2021-22.

For FY 2020-21, NDE has estimated expenditures for the FTE's are \$322,961, operating expenditures of \$418,000, and expenditures of \$3,333,333 to develop the new tests.

For FY 2021-22, NDE has estimated expenditures for the FTE's are \$304,337, operating expenditures of \$234,000, and expenditures of \$3,333,333 to continue developing the new tests.

Due to Federal regulations concerning job duties and payroll, NDE would need to shift funds from Federal Funds to General Funds for the 4 FTE's currently on staff.

NDE estimates that this project will take a total of three years and \$10 million to fully develop and implement the new tests.

For FY 2022-23, NDE has estimated expenditures for the FTE's are \$304,337, operating expenditures of \$234,000, and expenditures of \$3,333,334 to finish the developing of the new tests.

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**2020**

**LB<sup>(1)</sup> 1153**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Education

Prepared by: <sup>(3)</sup> Jen Utemark Date Prepared: <sup>(4)</sup> 1/29/2020 Phone: <sup>(5)</sup> 402-471-4313

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2020-21</u>		<u>FY 2021-22</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$4,074,294.00		\$3,871,670.00	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$4,074,294.00</b>		<b>\$3,871,670.00</b>	

**Explanation of Estimate:**

LB1153 amends section 79-730, requiring approval of alternative tests for a diploma of high school equivalency, prescribes development of skill-based or competency-based assessments by the Board of Education for a diploma of high school equivalency, implements testing be made available across the state, and provides the Commissioner of Education shall approve alternative tests for a diploma of high school equivalency.

The estimated costs to Nebraska Department of Education to; require approval of alternative tests for diploma of high school equivalency, develop skill-based or competency-based assessments for diploma of high school equivalency and to make testing available across the state are as follows:

<b>NEW NDE STAFFING RESOURCES</b>		
	<b>FY20-21</b>	<b>FY21-22</b>
Program Specialist II	\$ 91,794.00	\$ 95,732.00
Program Specialist II	\$ 91,794.00	\$ 95,732.00
Program Associate IV	\$ 75,779.00	\$ 80,122.00
	<b>\$ 259,367.00</b>	<b>\$ 271,586.00</b>

<b>CURRENT NDE STAFFING RESOURCES</b>		
	<b>FY20-21</b>	<b>FY21-22</b>
State Director	\$ 19,211.00	\$ 9,894.00
Program Specialist II	\$ 16,022.00	\$ 8,251.00
Program Specialist II	\$ 13,653.00	\$ 7,031.00
Program Associate IV	\$ 14,708.00	\$ 7,575.00
	<b>\$ 63,594.00</b>	<b>\$ 32,751.00</b>

<b>OPERATIONAL RESOURCES</b>		
	<b>FY20-21</b>	<b>FY21-22</b>
Travel	\$ 20,000.00	\$ 20,000.00
Current Test Center Establishment	\$ 23,000.00	\$ 3,000.00
New Site - 10 Locations	\$ 297,000.00	\$ 182,000.00
Curriculum	\$ 30,000.00	\$ 5,000.00
AE PD and Training	\$ 48,000.00	\$ 24,000.00
	<b>\$ 418,000.00</b>	<b>\$ 234,000.00</b>

<b>DEVELOPMENT OF SKILL-BASED OR COMPETENCY-BASED ASSESSMENTS</b>		
	<b>FY20-21</b>	<b>FY21-22</b>
To assure a fully reliable and valid assessment, the creation and implementation of a skills-based or competency-base assessment would require extensive research and development and would require 3-5 years before standard implementation. Estimated total cost \$10 Million.	\$ 3,333,333.00	\$ 3,333,333.00
	<b>\$ 3,333,333.00</b>	<b>\$ 3,333,333.00</b>

NDE ADMINISTRATIVE COSTS	\$ 740,961.00	\$ 538,337.00
ASSESSMENT DEVELOPMENT COSTS	\$ 3,333,333.00	\$ 3,333,333.00
<b>ESTIMATED TOTAL STATE GENERAL FUNDS</b>	<b>\$ 4,074,294.00</b>	<b>\$ 3,871,670.00</b>

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<b>POSITION TITLE</b>	<b>NUMBER OF POSITIONS</b>		<b>2020-21</b>	<b>2021-22</b>
	<b>20-21</b>	<b>21-22</b>	<b>EXPENDITURES</b>	<b>EXPENDITURES</b>
Program Specialist II	4	4	\$135,809.00	\$128,903.00
Program Associate IV	2	2	\$52,246.00	\$50,121.00
State Director	1	1	\$15,542.00	\$8,004.00
Benefits.....			\$119,364.00	\$117,309.00
Operating.....			\$3,731,333.00	\$3,547,333.00
Travel.....			\$20,000.00	\$20,000.00
Capital outlay.....				
Aid.....				
Capital improvements.....				
<b>TOTAL.....</b>			<b>\$4,074,294.00</b>	<b>\$3,871,670.00</b>