

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>				
	<b>FY 2021-22</b>		<b>FY 2022-23</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS	\$84,647		\$79,684	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$84,647</b>		<b>\$79,684</b>	

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

LB137 requires that starting on September 1, 2022, all Nebraska child care or early childhood education providers will have to report their educational degrees and professional credentials, all relative training that they have completed, and their work history to the Nebraska Early Childhood Professional Record System.

The Nebraska Department of Education (NDE) will need to hire an additional staff member to handle and manage the increased number of records.

The Nebraska Department of Health and Human Services estimates a fiscal impact to verify all child care and early childhood educators have provided the necessary documentation now required in §71-1962(3)(b) to NDE. The Legislative Fiscal Office believes this fiscal impact to be minimal and should be absorbed with existing funds.

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

**2021**

**LB<sup>(1)</sup> 137**

**FISCAL NOTE**

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

Prepared by: <sup>(3)</sup> Melody Hobson Date Prepared: <sup>(4)</sup> January 14,2021 Phone: <sup>(5)</sup> 402-499-1382

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

	<u>FY 2021-22</u>		<u>FY 2022-23</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$84,647		\$79,684	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$84,647</b>		<b>\$79,684</b>	

**Explanation of Estimate:**

One additional staff person will be needed to manage the increased number of records in the Nebraska Early Childhood Professional Records System (NECPRS). If the intention is to use state general funds then the entire amount of the fiscal note will need to be appropriated and PSL to the Nebraska Department of Education (NDE) will need to be increased to cover the staff expense. If it is the intention of the Legislature that federal Child Care Development Funds that are sub-granted from the Department of Health and Human Services to the NDE are to be used, then only PSL will need to be increased.

The calculations below include the salary and benefits for a staff person as well as operating expenses and travel.

The decrease in funds needed for the second year assume that the first year includes one-time expenditures for a computer and appropriate software.

The cost is included in General funds but may need to be moved to Federal funds if that is the intention of this bill.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22</u>	<u>2022-23</u>
	<u>21-22</u>	<u>22-23</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Administrative Associate IV	1	1	38,526	40,067
Benefits.....			33,461	35,071
Operating.....			11,460	3,310
Travel.....			1,200	1,236
Capital outlay.....				
Aid.....				
Capital improvements.....				
<b>TOTAL.....</b>			<b>84,647</b>	<b>79,684</b>

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

Prepared by: (3) Mike Michalski

Date Prepared 1-20-2021

Phone: (5) 471-6719

	FY 2021-2022		FY 2022-2023	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$152,695		\$67,865	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$152,695</b>	<b>\$0.00</b>	<b>\$67,865</b>	<b>\$0.00</b>

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

Explanation of Estimate:

LB137 requires all licensed child care providers and staff register with the Nebraska Early Childhood Professional Record System (NECPRS). NECPRS is maintained through the Nebraska Department of Education. Currently, it is an option for programs to use NECPRS if they are not required to through the Step Up to Quality program. It is unclear who will ensure this requirement is implemented and monitored.

In 2020, the number of required child care inspections was 4,070. On average, each inspection typically takes 2-3 hours. Adding the review of NECPRS will create an additional 1-2 hours per inspection. It is estimated that 15,000-18,000 child care employees would need to be entered into NECPRS in total with an estimated 3,000 – 5,000 current employees already entered. This would mean an additional 10,000 -13,000 will need to be entered into the system.

The Department of Health and Human Services (DHHS) would require 3 additional temporary childcare inspection specialists the nine months (starting date of October 1, 2021) in the first year of the biennium in order to carry out the additional duties required in LB137. After the first year the staff will go down to 1 permanent position. The new positions will be paid with General Funds.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:

POSITION TITLE	NUMBER OF POSITIONS		2021-2022	2022-2023
	21-22	22-23	EXPENDITURES	EXPENDITURES
R62710 Children's Services Licensing Inspection Spec.	2.3	1.0	\$90,422	\$40,188
Benefits.....			\$28,130	\$12,502
Operating.....			\$34,143	\$15,175
Travel.....				
Capital Outlay.....				
Aid.....				
Capital Improvements.....				
<b>TOTAL.....</b>			<b>\$152,695</b>	<b>\$67,865</b>