

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2023-24		FY 2024-25	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$10,832,000		\$10,832,000	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$10,832,000		\$10,832,000	

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

LB610 appropriates funds to the Nebraska Department of Education (NDE) to fund career & technical education programs & career education student organizations.

The funds will be appropriated as follows:

- \$10,432,000 from the General Fund for FY23-24 and FY24-25 for career and technical education programs and career education student organizations in secondary and postsecondary schools
 - Of this amount, \$10,232,000 is to be distributed between secondary and postsecondary schools according to the formula used for federal Perkins funds as such formula existed on January 1, 2023, each year.
 - Of this amount, up to \$306,960 may be used for administration each year, but no amount can be used for salaries of state employees.
 - Each district shall receive at least \$15,000.
- \$400,000 from the General Fund for FY23-24 and FY24-25 to be evenly distributed between career education student organizations
 - Of this amount, up to \$50,000 may be used for administration each year, but no amount can be used for salaries of state employees.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB:	610	AM:	AGENCY/POLT. SUB: Nebraska Department of Education
REVIEWED BY:	Gary Bush	DATE:	1/30/23
		PHONE:	(402) 471-4161
COMMENTS: Disagree with the Department of Education on the fiscal impact. Currently the administrative costs are paid with federal funds. Nothing in the bill would increase the staffing costs to the agency. The amount intended to be appropriated exceeds the current level of federal Perkins V grants to the state. An increase in state appropriations will not provide additional funding from the federal government. Additionally, once the state begins to match these federal funds, the state would loss federal funding if the state funding is reduced.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE				
LB:	610	AM:	AGENCY/POLT. SUB: Nebraska State College System	
REVIEWED BY:	Gary Bush	DATE:	1/30/23	PHONE: (402) 471-4161
COMMENTS: Agree with the agency's estimate of impact.				

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE				
LB:	610	AM:	AGENCY/POLT. SUB: Coordinating Commission for Postsecondary Education	
REVIEWED BY:	Gary Bush	DATE:	1/26/23	PHONE: (402) 471-4161
COMMENTS: Agree with the agency's estimate of impact.				

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE				
LB:	610	AM:	AGENCY/POLT. SUB: Metropolitan Community College	
REVIEWED BY:	Gary Bush	DATE:	2/8/23	PHONE: (402) 471-4161
COMMENTS: No basis to disagree with the estimate of how much funding would go to Metropolitan Community College. The community college is silent on what the additional funding would be used for or if it would be used to lower the taxes on property taxpayers. The revenue shown by the agency is not state General Fund but instead the general funds to the community college. It is likely that the funding would remain federal funds in any case. The amount intended to be appropriated exceeds the current level of federal Perkins V grants to the state. An increase in state appropriations will not provide additional funding from the federal government. Additionally, once the state begins to match these federal funds, the state would loss federal funding if the state funding is reduced.				

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE				
LB:	610	AM:	AGENCY/POLT. SUB: University of Nebraska	
REVIEWED BY:	Gary Bush	DATE:	2/8/23	PHONE: (402) 471-4161
COMMENTS: Agree with fiscal impact provided the University of Nebraska. The amount intended to be appropriated exceeds the current level of federal Perkins V grants to the state. An increase in state appropriations will not provide additional funding from the federal government. Additionally, once the state begins to match these federal funds, the state would loss federal funding if the state funding is reduced.				

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

2023

LB⁽¹⁾ 610

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ NE Dept of Education

Prepared by: ⁽³⁾ Bryce Wilson Date Prepared: ⁽⁴⁾ 1/25/23 Phone: ⁽⁵⁾ 402-471-4320

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2023-24</u>		<u>FY 2024-25</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$10,432,000		\$10,432,000	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u>\$10,432,000</u>		<u>\$10,432,000</u>	

Explanation of Estimate:

The bill as it is currently written requires \$10,232,000 to be distributed through the Perkins formula to both secondary and postsecondary schools. The bill allows for up to \$306,960 to be used for administrative purposes but not for staff salaries or per diems. This is problematic for NDE as we will need staff to support the additional work.

Additionally, this bill appropriates \$400,000 to the career education student organizations with the amount to be split evenly between the different groups. \$50,000 of this amount may be used for administrative purposes but not for salaries of staff which is again problematic for NDE.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2023-24</u>	<u>2024-25</u>
	<u>23-24</u>	<u>24-25</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Administrative Specialist II	1.0	1.0	\$61,491	\$65,180
Program Specialist IV	1.0	1.0	\$75,899	\$80,453
Benefits.....			\$80,889	\$83,612
Operating.....			\$23,259	\$15,838
Travel.....			\$5,384	\$5,546
Capital outlay.....				
Aid.....			\$10,185,078	\$10,181,371
Capital improvements.....				
TOTAL.....			<u>\$10,432,000</u>	<u>\$10,432,000</u>

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

2023

LB⁽¹⁾ 610

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska State College System

Prepared by: ⁽³⁾ Monte Kramer Date Prepared: ⁽⁴⁾ 1/26/2023 Phone: ⁽⁵⁾ 402-471-2507

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2023-24</u>		<u>FY 2024-25</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>2023-24</u>	<u>2024-25</u>
	<u>23-24</u>	<u>24-25</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.

2023

LB⁽¹⁾ 610

FISCAL NOTE

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

Prepared by: ⁽³⁾ Gary Timm Date Prepared: ⁽⁴⁾ 1/26/2023 Phone: ⁽⁵⁾ 402.471.0020

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2023-24</u>		<u>FY 2024-25</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>2023-24</u>	<u>2024-25</u>
	<u>23-24</u>	<u>24-25</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.

2023

LB⁽¹⁾ 610

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Metropolitan Community College

Prepared by: ⁽³⁾ Brenda Schumacher Date Prepared: ⁽⁴⁾ 2/2/2023 Phone: ⁽⁵⁾ (531)622-2406

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2023-24</u>		<u>FY 2024-25</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	<u>1,150,000</u>	_____	<u>1,150,000</u>
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>_____</u>	<u>1,150,000</u>	<u>_____</u>	<u>1,150,000</u>

Explanation of Estimate:

Using the current Perkin's formula to allocate distribution of Perkins funds, I calculated 40% of the proposed additional appropriation of \$10,432,000 to get the amount that would be distributed to community colleges. This came to \$4,172,800. I then looked at the % that MCC received when 22-23 Perkins was allocated to the community colleges. That percentage was 27.59%. I then calculated 27.59% of the community college allocation of \$4,172,800 which was \$1,151,275. I rounded this to \$1,150,000 of additional allocation that MCC would receive in both of the fiscal years that the bill is being proposed for.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2023-24</u>	<u>2024-25</u>
	<u>23-24</u>	<u>24-25</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.

2023

LB ⁽¹⁾ 0610 Appropriate funds to the State Department of Education

FISCAL NOTE

State Agency OR Political Subdivision Name:⁽²⁾ University of Nebraska System

Prepared by:⁽³⁾ Chris Kabourek Date Prepared:⁽⁴⁾ 02/01/2023 Phone:⁽⁵⁾ (402) 472-7102

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2023 - 24		FY 2024 - 25	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
CASH FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
FEDERAL FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
OTHER FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

Explanation of Estimate:

As these funds are provided to the Nebraska Department of Education, there should be no fiscal impact on the University of Nebraska.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2023 - 24 EXPENDITURES</u>	<u>2024 - 25 EXPENDITURES</u>
	<u>23 - 24</u>	<u>24 - 25</u>		
	<u>0</u>	<u>0</u>		
	<u>0</u>	<u>0</u>		
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				