

PREPARED BY: Bill Biven, Jr.
 DATE PREPARED: January 25, 2024
 PHONE: 402-471-0054

LB 1306

Revision: 00

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2024-25		FY 2025-26	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	(\$90,000)		(\$90,000)	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	(\$90,000)		(\$90,000)	

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

LB1306 amends several sections relating to the Professional Practices Commission (PPC) & the Nebraska Department of Education (NDE).

The PPC will be eliminated & the State Treasurer will transfer any remaining money within the Professional Practices Commission Fund to the Certification Fund.

The maximum fee that can be collected for each teaching certificate or permit issued by the Commissioner & is valid for all Nebraska schools will be lowered from \$75 to \$65.

NDE will now handle rules & regulations for the standards of ethics & competency for Nebraska public school educators, promoting understanding of the adherence to the standards, & providing an orderly method of resolving disputes arising over alleged failure of an educator to adhere to the standards.

The ending balance of the Professional Practices Commission Fund as of 12/31/23 was approximately \$820,000. Any remaining balance in the fund on the effective date of the act will be transferred to the Certification Fund.

EXPENDITURES:

NDE estimates a \$90,000 annual savings with the elimination of the Professional Practices Commission.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB:	1306	AM:	AGENCY/POLT. SUB: Nebraska Department of Education
REVIEWED BY:	Gary Bush	DATE:	1/29/24 PHONE: (402) 471-4161
COMMENTS: Unable to provide comment as no fiscal impact was stated. The Professional Practices Commission is contained in program 614 of the agency's budget. The FY2024-25 cash fund appropriations is \$169,061 and Personal Services Limitation of \$81,207.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB:	1306	AM:	AGENCY/POLT. SUB: State Treasurer
REVIEWED BY:	Gary Bush	DATE:	1/17/24 PHONE: (402) 471-4161
COMMENTS: Agree with the agency's estimate of no fiscal impact to the agency.			

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

2024

LB⁽¹⁾ 1306

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ State Treasurer

Prepared by: ⁽³⁾ Jason Walters Date Prepared: ⁽⁴⁾ Jan. 25, 2024 Phone: ⁽⁵⁾ 402-471-2793

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2024-25</u>		<u>FY 2025-26</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 State Treasurer’s Office doesn’t expect any fiscal impact from LB 1306 to the office.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25</u>	<u>2025-26</u>
	<u>24-25</u>	<u>25-26</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.

2024

LB⁽¹⁾ 1306

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Education

Prepared by: ⁽³⁾ Lane Carr/Brian Halstead Date Prepared: ⁽⁴⁾ 1.25.24 Phone: ⁽⁵⁾ 402.419.3012

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2024-25		FY 2025-26	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>(\$90,000)</u>		<u>(\$90,000)</u>	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u>(\$90,000)</u>		<u>(\$90,000)</u>	

Explanation of Estimate:

LB1306 eliminates the Professional Practices Commission and would have a hearing officer carry out the duties currently assigned to the PPC. The bill also transfers cash funds paid by applicants for a certificate or permit back to the Certification Fund from the PPC Funds.

The fees for applications are currently set by the Commissioner and statute sets the maximum amount of any fee at \$75. The bill reduces the maximum amount to \$65.

Here is the spending for PPC for fiscal years 2022 and 2023 and what they have expended through December of fiscal year 2024. The "Operations" costs include the lawyer and court reporter which by statute (being repealed in the bill) has been up to \$15,000 per year and the NDE may continue to have that costs with the bill being enacted.

PPC Spending	2022	2023	2024	Grand Total
Benefit	\$ 10,992.11	\$ 11,310.50	\$ 6,539.74	\$ 28,842.35
Contracted Services	\$ 1,259.17	\$ 1,845.39	\$ 790.03	\$ 3,894.59
Operations	\$ 39,307.51	\$ 11,900.74	\$ 18,599.80	\$ 69,808.05
Salary	\$ 68,540.34	\$ 70,592.12	\$ 41,305.56	\$ 180,438.02
Travel	\$ 7,759.47	\$ 8,994.83	\$ 3,808.78	\$ 20,563.08
Grand Total	\$ 127,858.60	\$ 104,643.58	\$ 71,043.91	\$ 303,546.09

Currently, there is approximately \$820,000 of cash funds in the PPC Fund which would revert back to the Certification Fund, and permit fees of applicants could then be lowered by the Commissioner.

The fees are set by the Commissioner and not by statute anymore. The \$10 dollar reduction in the maximum amount in statute for a fee that the Commissioner could charge is being reduced since \$13 dollars of every application goes into the PPC Fund and not the Certification Fund.

NDE estimates the State will see \$90,000 in savings with the elimination of the PPC.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25</u>	<u>2025-26</u>
	<u>24-25</u>	<u>25-26</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....				
Operating.....			(\$90,000)	(\$90,000)
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			(\$90,000)	(\$90,000)