PREPARED BY: DATE PREPARED: PHONE: Bill Biven, Jr. February 08, 2024 402-471-0054

LB 1121

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		\$1,141,000		\$1,004,000				
CASH FUNDS	See below		See below					
FEDERAL FUNDS								
OTHER FUNDS								
TOTAL FUNDS	See below	\$1,141,000	See below	\$1,004,000				

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

LB1121 amends §79-8,114 to authorize an additional grant of \$1,500 upon a teacher's sixth complete school year & has signed a new contract to continue teaching full-time in Nebraska under the Nebraska Teacher Recruitment and Retention Act.

EXPENDITURES:

The current appropriation for the Nebraska Teacher Recruitment and Retention Grant (LB 705, 2023) is \$5 million per fiscal year from the Education Future Fund. We do not have a current estimate of the amount of need related to the new grant category, and as such any required increase in appropriation for the program for the additional grants authorized in the bill is indeterminate at this time. If no additional appropriation is made to NDE, adding a new grant category will change the distribution of grant funds.

The Nebraska Department of Education (NDE) estimates the need for 0.5 of an FTE to address the updates & make changes to the program. For FY2024-25, the FTE will have a salary/benefits expense of \$62,994; & operating expenses of \$16,988.

The Nebraska Department of Revenue estimates increases in General Fund revenue of \$1,141,000 for FY2024-25 & \$1,004,000 for FY2025-26 due to the grants being taxable income.

	ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE						
LB:	1121	AM:	AGENCY/POLT. SUB:	: Nebraska [Department of Education		
RE\	/IEWED BY:	Gary Bush	DATE:	2/9//24	PHONE: (402) 471-4161		
	COMMENTS: The need for a developer to make changes to their program appears to be reasonable. However, I disagree that a developer would be need in FY2025-26.						

	ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE						
LB:	LB: 1121 AM: AGENCY/POLT. SUB: Nebraska Department of Revenue						
RE\	REVIEWED BY: Gary Bush DATE: 2/8/24 PHONE: (402) 471-4161						
COI	COMMENTS: The estimate provided by the agency appears to be reasonable given the assumptions used.						

	ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE						
LB: 1121 AM: AGENCY/POLT. SUB Nebraska Public Employees Retirement System							
RE\	/IEWED BY:	Gary Bush	DATE:	1/22/24	PHONE: (402) 471-4161		
COI	COMMENTS: Agree with the agency estimate of no fiscal impact.						

LB ⁽¹⁾ 1121				FISCAL NOTE
State Agency OR Polit	tical Subdivision Name: (2)	Education		
Prepared by: (3) L	ane Carr	Date Prepared: (4)	2.7.24 Phone: (5)	402.419.3012
	ESTIMATE PROVIDI	ED BY STATE AGEN	CY OR POLITICAL SUBDIVIS	SION
	FY 20	024-25	FY 202	5-26
	EXPENDITURES	<u>REVENUE</u>	EXPENDITURES	<u>REVENUE</u>
GENERAL FUNDS			<u> </u>	
CASH FUNDS	\$81,274		\$80,358	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$81,274		\$80,358	

Explanation of Estimate:

LB1121 extends the Nebraska Teacher Retention and Recruitment Act to those teachers in their sixth year of full-time employment. To make changes to the existing system, the NDE would need an app developer for the 2024-25 fiscal year.

BREAKD	OWN BY MAJ	OR OBJECTS OF	EXPENDITURE	-	
Personal Services:					
	NUMBER O	FPOSITIONS	2024-25	2025-26	
POSITION TITLE	<u>24-25</u>	<u>25-26</u>	EXPENDITURES	EXPENDITURES	
IT Applications Developer Senior	.5		41,131	43,188	
Benefits			21,863	22,599	
					
Operating	•••		16,988	13,071	
Travel			1,292	1,500	
Capital outlay					
Aid					
Capital improvements					
TOTAL			\$81,274	\$80,358	

LB ⁽¹⁾ 1121					FISCAL NOTE
State Agency OR Political	l Subdivision Name: (2)	Nebraska Public E	Employees Reti	rement Syst	em
Prepared by: (3) Tere	sa Zulauf	Date Prepared: (4)	1-18-24	Phone: (5)	402-471-7745
	ESTIMATE PROVI	DED BY STATE AGEN	NCY OR POLITIC	AL SUBDIVIS	ION
	FY	2024-2 <u>5</u>		FY 2025	-26
	EXPENDITURES	REVENUE	EXPENDI		REVENUE
GENERAL FUNDS					
CASH FUNDS	0		0		
FEDERAL FUNDS					
OTHER FUNDS					
TOTAL FUNDS	0		0		
Explanation of Estimat		rants under the Nebra	ska Taashar Pa	cruitment and	N Potentian Act
No fiscal impact to N		operations expenditur			
Personal Services:	<u>BREAKDOW</u>	'N BY MAJOR OBJECT	<u>'S OF EXPENDIT</u>	<u>'URE</u>	
POSITION T		JMBER OF POSITION 24-25 25-26	S 2024- <u>EXPENDI</u>		2025-26 EXPENDITURES
Benefits					
Operating					
Travel					
Capital outlay					
Aid					
Capital improvements					
ТОТАІ					

LB 1121 Fiscal Note 2024

State Agency Estimate							
State Agency Name: Department o	f Revenue				Date Due LFO:		
Approved by: James R. Kamm		Date Prepared:	02/07/2024		Phone: 471-5896		
	FY 2024	<u>-2025</u>	FY 2025	<u>5-2026</u>	FY 2020	5-2027	
	Expenditures	Revenue	Expenditures	Revenue	<u>Expenditures</u>	Revenue	
General Funds		\$1,141,000		\$1,004,000		\$865,000	
Cash Funds							
Federal Funds							
Other Funds							
Total Funds		\$1,141,000		\$1,004,000		\$865,000	
					· · · · · · · · · · · · · · · · · · ·		

LB 1121 amends Neb. Rev. Stat. § 77-8114 to provide a keeping-teachers-teaching grant of \$1,500. A teacher is eligible for the grant if the teacher completes their sixth school year of full-time employment at a Nebraska school and has signed a contract to continue as a full-time teacher at a Nebraska school year for 2024-2025, 2025-2026, or 2026-2027. A teacher may only receive three keeping-teachers-teaching grants.

The estimated fiscal impact to the General Fund revenues would be as follows:

Fiscal Year	General Fund Revenues
FY 2024-25	\$ 1,141,000
FY 2025-26	\$ 1,004,000
FY 2026-27	\$ 865,000

It is estimated that there will be no cost to the Department of Revenue to implement this bill.

Major Objects of Expenditure								
Class Code	Classification Title	24-25 <u>FTE</u>	25-26 <u>FTE</u>	26-27 <u>FTE</u>	24-25 Expenditures	25-26 Expenditures	26-27 Expenditures	
Operating Costs	Benefits							
Travel								
	Capital Improvements							