

# FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)					
EXPENDITURES	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	0	0	0	0	0
FY2027-2028	SEE BELOW	SEE BELOW	0	0	SEE BELOW
FY2028-2029	SEE BELOW	SEE BELOW	0	0	SEE BELOW
REVENUE	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	0	0	0	0	0
FY2027-2028	0	0	0	0	0
FY2028-2029	0	0	0	0	0

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

LB1182 amends §79-1001 to provide for a base salary for certified teachers, to state intent relating to establishing a new public education funding system based on block grant funding, & to state intent for changes to the Tax Equity & Educational Opportunities Support Act (TEEOSA).

Beginning with the 2027-28 school year, the annual minimum base salary for any certificated teacher employed on a full-time basis to teach within a public school district in Nebraska will be fifty thousand dollars.

Beginning with the 2029-30 school year, & biennially thereafter, the minimum base salary will be adjusted by the percentage change in Nebraska's total state General Fund receipts for the two-year period ending on December 31 of the preceding year, with a minimum adjustment of zero percent. The base salary will not be reduced below the previous year's base salary. The adjusted minimum base salary will be rounded to the nearest one hundred dollars. The Nebraska Department of Education (NDE) will annually publish the adjusted minimum base salary by March 1.

#### FISCAL IMPACT:

There is intent language that the Legislature will establish a public education funding system based on block grant funding for foundation aid & salary support and to adjust the education funding system provided in the Tax Equity & Educational Opportunities Support Act (TEEOSA) to incorporate the block grant funding. The newly established funding system will provide each public school district with a quarterly block grant beginning July 1, 2027. The amount of each district's quarterly block grant will be determined by a formula established by the Legislature based on factors including, but not limited to, student enrollment & the minimum base salary for certificated teachers.

There is intent language that the Legislature will make adjustments to TEEOSA beginning with the 2027-28 school year to provide foundation aid & salary support for public school districts via block grant funding.

There will be an increase in staffing expenditures for the school districts to meet the base salary requirements for certified teachers cannot be determined at this time.

The changes to TEEOSA & the establishing/calculation of the block grant funding cannot be determined at this time due to the need for legislative action.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 1182	AM:	AGENCY/POLT. SUB: Department of Revenue	
REVIEWED BY: Kimberly Burns		DATE: 02/05/2026	PHONE: (402) 471-4171
COMMENTS: Concur with the Department of Revenue's estimate of no fiscal impact for the agency and minimal impact on General Fund revenues from LB 1182.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 1182	AM:	AGENCY/POLT. SUB: Educational Service Unit Coordinating Council	
REVIEWED BY: Kimberly Burns		DATE: 02/05/2026	PHONE: (402) 471-4171
COMMENTS: No basis to dispute the Educational Service Unit Coordinating Council's assessment of fiscal impact resulting from LB 1182.			

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

2026

LB<sup>(1)</sup> 1182

FISCAL NOTE

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

Educational Service Unit Coordinating Council

Prepared by: Larianne Polk  
<sup>(3)</sup>

Date Prepared: 2/4/2026  
<sup>(4)</sup>

Phone: 402/597/4843  
<sup>(5)</sup>

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2026-27		FY 2027-28	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Explanation of Estimate:

No ESU employing certificated teachers currently meets a \$50,000 base salary. LB 1182 would require ESUs to increase base salaries by an estimated **\$650,000** statewide to reach the minimum threshold. This estimate excludes additional salary schedule effects from years of experience and postsecondary coursework, which would increase this \$650,000 estimate significantly.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2026-27	2027-28
	26-27	27-28	EXPENDITURES	EXPENDITURES
Benefits.....				
...				
Operating.....				
....				
Travel.....				
.				
Capital				
outlay.....				
Aid.....				
.				
Capital				
improvements.....				
TOTAL.....				

## State Agency Estimate

State Agency Name: Department of Revenue

Date Due LFO:

Approved by: James R. Kamm

Date Prepared: 02/04/2026

Phone: 471-5896

	<u>FY 2026-2027</u>		<u>FY 2027-2028</u>		<u>FY 2028-2029</u>	
	<u>Expenditures</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Revenue</u>
General Funds		Minimal		Minimal		Minimal
Cash Funds						
Federal Funds						
Other Funds						
Total Funds		Minimal		Minimal		Minimal

LB 1182 would provide a base salary for certified teachers teaching in public schools in NE (\$50, 000). The State Board of Education is responsible for implementing this bill.

It is estimated that LB 1182 will have minimal impact on the General Fund revenues.

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

The effective date for this bill is three months after the adjournment of the legislature.

## Major Objects of Expenditure

<u>Class Code</u>	<u>Classification Title</u>	<u>26-27 FTE</u>	<u>27-28 FTE</u>	<u>28-29 FTE</u>	<u>26-27 Expenditures</u>	<u>27-28 Expenditures</u>	<u>28-29 Expenditures</u>
Benefits.....							
Operating Costs.....							
Travel.....							
Capital Outlay.....							
Capital Improvements.....							
<b>Total.....</b>							