

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2009-10		FY 2010-11	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	See below		See below	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below		See below	

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB413 would adopt the College Choice Grant Program Act to be administered by the Coordinating Commission for Postsecondary Education. Under the act, financial aid awards are to be made to eligible students demonstrating substantial financial need. Administration of financial aid awards is to be accomplished by the Commission in conjunction with eligible postsecondary educational institutions. Under provisions of the bill, eligible postsecondary institutions are defined as nonprofit institutions not controlled or administered by any state agency or political subdivision which are located in Nebraska and are accredited by a regional accrediting organization recognized by the U.S. Department of Education. Eligible students are defined to include full or part-time students who are Nebraska residents eligible to receive U.S. Department of Education Title IV student financial assistance. The bill provides a methodology to determine allocation amounts for participating eligible institutions which, in turn, would distribute financial aid awards to eligible students. Insofar that no alternative funding source is identified in the bill, it is presumed that General Fund appropriations would be required to support financial aid awards under provisions of the College Choice Grant Program. The level of such appropriations would apparently be at the discretion of the Legislature.

The Commission estimates that workload impacts associated with administering the proposed new financial aid program would not necessitate additional permanent full or part-time staff. However, the agency estimates additional costs, primarily in the form of overtime payments, associated with the impacts of the bill. These estimates, which amount to \$5,898 for 2009-10 and \$5,248 for 2010-11, appear reasonable. The Commission also notes that nominal costs would be incurred in adopting rules relating to administration of the College Choice Grant Program in the event LB413 were to be enacted. Current funding resources of the agency can accommodate normal operating costs such as those associated with adoption of rules and regulations.

DEPARTMENT OF ADMINISTRATIVE SERVICES

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COMMENTS					
COORDINATING COMMISSION FOR POSTSECONDARY EDUCATION: Generally concur with agency response.					