

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2010-11		FY 2011-12	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	See below		See below	
CASH FUNDS	See below		See below	
FEDERAL FUNDS	See below		See below	
OTHER FUNDS				
TOTAL FUNDS	See below		See below	

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

The Coordinating Commission for Postsecondary Education administers the Nebraska Scholarship Program (NSP) under provisions of the Nebraska Scholarship Act. Pursuant to provisions of the act, scholarships are awarded to Nebraska residents who attend eligible Nebraska postsecondary institutions and who are eligible to receive a federal Pell Grant. LB745 amends the definition of “eligible postsecondary educational institution” for purposes of the act. Under current provisions of the act, eligible students attending for profit private institutions in Nebraska receive financial aid awards under NSP. The revised definition of “eligible postsecondary educational institution” would effectively preclude these students from receiving financial aid under the Nebraska Scholarship Program. The following table reflects a summary of the estimated impact of LB745 upon the distribution of Nebraska Scholarship Program financial aid to students attending institutions of the various sectors of Nebraska postsecondary education.

Allocation of Nebraska Scholarship Program Student Financial Aid – LB745 vs. Current Law

	Current Law	Assuming LB745 was In Effect: Estimated	Difference: LB745 vs. Current Law
<u>Allocation of Financial Aid to Students Attending:</u>	<u>2009-10</u>	<u>2009-10</u>	<u>2009-10</u>
University of Nebraska	5,310,772	6,519,388	1,208,616
Nebraska State Colleges	1,050,714	1,289,834	239,120
Community Colleges	<u>2,417,967</u>	<u>2,968,244</u>	<u>550,277</u>
SUBTOTAL - Public Institutions	8,779,453	10,777,466	1,998,013
Private For Profit Institutions	2,622,400	-0-	-2,622,400
Private Nonprofit Institutions	<u>2,743,627</u>	<u>3,368,014</u>	<u>624,387</u>
TOTAL	14,145,480	14,145,480	-0-
 <u>Sources of Funds</u>			
General Fund	6,633,101	6,633,101	
Nebraska Scholarship [Cash] Fund (Lottery)	7,000,000	7,000,000	
Federal Funds	<u>512,379</u>	<u>512,379</u>	
TOTAL	14,145,480	14,145,480	
 <u>% of Total Aid Allocations to Students Attending:</u>			
University of Nebraska	37.5%	46.1%	
Nebraska State Colleges	7.4%	9.1%	
Community Colleges	<u>17.1%</u>	<u>21.0%</u>	
SUBTOTAL - Public Institutions	62.1%	76.2%	
Private For Profit Institutions	18.5%	0.0%	
Private Nonprofit Institutions	<u>19.4%</u>	<u>23.8%</u>	
TOTAL	100.0%	100.0%	

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The Coordinating Commission notes that additional costs (estimated at \$1,179) would be incurred in revising rules relating to administration of the Nebraska Scholarship Program in the event LB745 were to be enacted. Current funding resources of the agency could accommodate normal operating costs such as those associated with adoption of rules modifications.

DEPARTMENT OF ADMINISTRATIVE SERVICES

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COMMENTS					
COORDINATING COMMISSION FOR POSTSECONDARY EDUCATION: Minimal fiscal impact.					