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LB 1020

Revision: 01

Revised on 3/29/12 based upon amendments adopted through 3/28/12.

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2012-13		FY 2013-14	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$100,000		\$100,000	
CASH FUNDS	\$100,000		\$100,000	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$200,000		\$200,000	

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

LB 1020 is the Nebraska Coordinated School Health Act. The act provides for the State Department of Education (NDE) to annually award grants to school districts for the establishment of school-based health centers. School districts must provide a 50% match to receive funds. Grant funds may only be used for capital construction and startup costs and may not be used for ongoing operations, administration or service delivery costs. School districts are only eligible for one grant per school-based health center and may receive funds for only one school-based center per year. School districts must repay the funds with interest if the school-based health facility is used for a different purpose within five years or receiving a grant.

The bill authorizes grants for a two year period, in FY13 and FY14. Grants are to be funded each fiscal year with a transfer of \$100,000 from the Education Innovation Fund (lottery proceeds) to a newly created Nebraska Coordinated School Health Fund and an additional \$100,000 general fund appropriation. Any additional public or private funds received by the fund may also be used for grants. NDE is to award 90% of the funds for grants (\$180,000) and may use up to 10% of the fund for administration (\$20,000). Any unspent money from the Education Innovation Fund transfer remaining in the Nebraska Coordinated School Health Fund on June 30, 2014 is to be remitted to the Education Innovation Fund. The act terminates on June 30, 2014.

The Education Innovation Fund is currently earmarked per statute for various education programs and initiatives through FY2015-16. Beginning in FY2016-17, current law removes the earmarking of lottery funds for the various programs and provides that the Legislature will determine the use of the fund for education purposes. A cash flow analysis of the fund shows a projected balance of \$4.9 million in the fund on June 30, 2016. However, it should be emphasized that funding for currently earmarked programs may be insufficient if: lottery receipts do not increase as projected; incentives provided for distance education courses exchanged in the state increase more than projected; or, additional programs such as the grants required by LB 1020 are authorized from the fund. The bill will reduce the estimated balance on June 30, 2016 by \$200,000.