

Revised on 3/7/14 to reflect amendments adopted through 3/6/14.

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2014-15		FY 2015-16	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	See Below		See Below	
CASH FUNDS				
FEDERAL FUNDS				
REVOLVING FUNDS	\$34,794	\$34,794	\$32,989	\$32,989
TOTAL FUNDS				

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

LB 974 includes provisions of several bills as identified below which may or may not have a fiscal impact as follows:

HHS Strategic Plans: The bill as introduced requires the Department of Health and Human Services to include strategic plans for the three Divisions of Behavioral Health, Developmental Disabilities and Medicaid and Long-term Care during the appropriations process in the next two budget cycles. An existing requirement for the Division of Children and Family Services to include a strategic plan in the appropriations process is extended to the biennium ending June 30, 2019. There is no additional fiscal impact for these provisions of the bill.

Preaudits: The bill as amended includes the provisions of LB 837 which requires agencies with fewer than 7.0 FTE to have preaudits conducted by the accounting bureau or by a state agency authorized by the Director of Administrative Services. The Department of Administrative Services (DAS) estimates the need for 0.5 FTE to perform this function at a cost of \$34,794 in FY15 and \$32,989 in FY16. The costs would be paid with revolving funds by DAS. Agencies included under the bill's provisions would pay DAS for this service.

Increase cap on general fund aid appropriation for special education: The amended bill includes some provisions of LB 969 relating to the amount of general fund aid to be appropriated to schools to provide reimbursement for special education services. Currently, special education general fund aid may not increase by more than 5% per year over the appropriation in the previous fiscal year. The bill provides that special education aid may be increased by up to 10% each fiscal year above the amount appropriated in the previous fiscal year.

The Legislature has appropriated a 5% increase in special education aid for FY2014-15. A 10% increase in aid in FY15 would be an additional \$10,179,426 of general funds. There is a federal requirement for the state to maintain effort in order to continue to receive federal special education funds. If additional general funds are added for aid in FY15, then a like amount will need to be included in future fiscal years.

Reports prepared by DAS: As amended, the bill includes provisions of LB 1023 related to reports prepared by the Department of Administrative Services. The changes have no fiscal impact for DAS.