

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2015-16		FY 2016-17	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$21,000		\$5,000	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$21,000		\$5,000	

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

LB 508 changes minimum entry requirements for teacher education programs beginning January 1, 2019. The bill requires applicants for teacher education programs to have a grade point average of not less than 3.0 on a 4.0 scale or a grade point average in the top 50% for coursework completed in the most recent two years of the applicant’s education. Applicants must also achieve a minimum score determined by the State Board of Education on a standardized test approved by the board. The tests may include Praxis Series tests, the SAT or the ACT or an equivalent test approved by the Commissioner of Education.

NDE Expenses: The State Department of Education (NDE) will have increased general fund expenditures of an estimated \$15,000 in FY2015-16 to hire a consultant to research the comparability of tests and to make score recommendations. Upon receiving recommendations from the consultant, the department will invite constituencies impacted by the bill to meet to develop recommendations for minimum scores. The estimated cost to reimburse individuals involved in these meetings for expenses is \$6,000 of general funds in FY2015-16.

NDE will incur one-time expenses of \$5,000 general funds in FY2016-17 to revise the teacher certification computer system. It is assumed the department can update rules and regulations with existing staff and resources of the agency.

State Colleges Impact: The state colleges estimate that more stringent academic requirements for admittance to teacher education programs will reduce the number of students in teacher education programs at Chadron, Peru, and Wayne state colleges beginning in January of 2019 by 30 students in the first academic year and 30 students in the second academic year. Based upon current average tuition revenue of \$5,750 per student, the estimated loss of revenue in FY2018-19 is \$86,250 (15 Students-Spring), in FY2019-20 is \$258,750 (30 Students Fall, 45 Spring), and in FY2020-21 is \$345,000 (60 Students Fall, 60 Spring).

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB:508	AM:	AGENCY/POLT. Department of Education	
REVIEWED BY: James Van Bruggen		DATE: 2/19/2015	PHONE: 471-4179
Some of the listed expenditures in the fiscal note may not be needed, as they are not requirements found in the bill.			

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB:508	AM:	AGENCY/POLT. Nebraska State College System (NSCS)	
REVIEWED BY: James Van Bruggen		DATE: 2/2/2015	PHONE: 471-4179
COMMENTS: The assumption around the fiscal impact is that students who would not qualify for a teacher education program would drop out of college. This may not be the case.			

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB:508	AM:	AGENCY/POLT. University of Nebraska	
REVIEWED BY: James Van Bruggen		DATE: 1/26/2015	PHONE: 471-4179
COMMENTS: I concur with the University of Nebraska’s assessment.			