

Revised due to adoption of amendments on General File

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2022-23		FY 2023-24	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$105,660			(\$176,000)
CASH FUNDS		(\$31,000)		(\$31,480)
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$105,660	(\$31,000)		(\$207,480)

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

LB 1273 provides for a reduction to Federal Adjusted Gross Income (FAGI). Beginning in tax year 2023, any retired individual over the age of 60 years old with at least 20 years of full-time service as a law enforcement officer may reduce their FAGI equal to the amount of health insurance premiums paid in the tax year.

Additionally, as amended by AM2005, the bill incorporates provisions of LB 1272 to increase the tuition waiver entitled to law enforcement officers on resident tuition. The amount waived would be increased from 30% to 100%. Requirements for receiving this waiver remain the same.

REVENUE:

The Department of Revenue estimates the following impact on the General Fund:

FY22-23	\$0
FY23-24	(\$176,000)
FY24-25	(\$187,000)

The increase in the percentage of the tuition waiver will result in a reduction in Cash Fund revenue to the University of Nebraska by about \$15,000 per year and to the Nebraska State College System by approximately \$16,000 per year, along with a percentage growth in tuition each year. We assume there will be minimal reductions in tuition revenue at other community colleges as well. As community colleges are political subdivisions, any revenue changes to those entities are not reflected in the chart above.

EXPENDITURES:

The Department of Revenue estimates a one-time charge for programming to OCIO of \$105,660.

There is no basis to disagree with these estimates.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 1273	AM: 2005	AGENCY/POLT. SUB: State College System
REVIEWED BY: Neil Sullivan	DATE: 2/25/2022	PHONE: (402) 471-4179
COMMENTS: The State College System assessment of fiscal impact from LB 1273 as amended by AM 2005 appears reasonable.		

Please complete ALL (5) blanks in the first three lines.

2022

LB⁽¹⁾ 1273, AM2005

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska State College System

Prepared by: ⁽³⁾ Monte R. Kramer Date Prepared: ⁽⁴⁾ 2-24-2022 Phone: ⁽⁵⁾ 402-471-2507

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2022-23</u>		<u>FY 2023-24</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	(\$16,000)	_____	\$16,480
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

The amendment to this bill is the language from LB1272 which we previously prepared a fiscal note. The fiscal note remains the same as that provided for LB1272.

The bill increases the amount of tuition to be waived to 100% after subtracting awarded financial aid grants and state scholarships and grants. Waivers representing 30% of tuition for law enforcement for the last five years on average totaled \$6,612 per year at the state colleges. If the waivers were 100% of tuition, the waiver value would have been \$22,041 per year on average. The impact is estimated at around \$16,000 per year which will grow by the percentage increase in tuition each year.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2022-23</u>	<u>2023-24</u>
	<u>22-23</u>	<u>23-24</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

Please complete ALL (5) blanks in the first three lines.

2022

LB ⁽¹⁾ 1273 Provide an income tax deduction to retired law enforcement officers for health insurance premiums

FISCAL NOTE

State Agency OR Political Subdivision Name:⁽²⁾ University of Nebraska System

Prepared by:⁽³⁾ Chris Kabourek Date Prepared:⁽⁴⁾ 03/02/2022 Phone:⁽⁵⁾ (402) 472-7102

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2022-23		FY 2023-24	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	0.00	15,000.00-	0.00	15,000.00-
CASH FUNDS	0.00	0.00	0.00	0.00
FEDERAL FUNDS	0.00	0.00	0.00	0.00
OTHER FUNDS	0.00	0.00	0.00	0.00
TOTAL FUNDS	0.00	15,000.00-	0.00	15,000.00-

Explanation of Estimate:

LB1273, AM 2005, if passed, would have a small effect on University of Nebraska System. This bill would change the percentage of the resident tuition waivers for law enforcement officers from 30% to 100%.The only students that this would apply to are those working toward degrees that relate to a career in law enforcement.

By our estimates, even if this waiver increases in popularity we do not envision that the cost burden will be more than \$15,000 across our undergraduate campuses.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2022-23	2023-24
	<u>22-23</u>	<u>23-24</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
	0	0		
	0	0		
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				