

PREPARED BY: Bill Biven, Jr.
 DATE PREPARED: January 26, 2022
 PHONE: 402-471-0054

LB 945

Revision: 00

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	See Below	See Below	See Below	See Below
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See Below	See Below	See Below	See Below

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

LB945 creates the Teach in Nebraska Today Act and allows payments received under the Act to be deducted from individual income tax.

The Nebraska Department of Education (NDE) will create & implement the program to attract people who have expressed an interested in teaching & to support the employment of those people by providing student loan repayment assistance for their service as a teacher in a public or private school in Nebraska.

Applications for the program are due no later than April 1, 2023 and then no later than April 1 each year thereafter. Each teacher cannot receive more than \$5,000 per calendar year for no more than five consecutive years or \$25,000 total reimbursement.

EXPENDITURES:

NDE estimates the need for an additional FTE to implement, monitor, and evaluate the program. For FY2022-23, the FTE will have \$5,010 in operating expenses and \$79,237 is salary expenses. For FY2023-24, the FTE will have \$5,010 in operating expenses and salary expenses will increase by 3.64% to \$82,301.

LB 945 appropriates \$5,000,000 of General Funds for both FY2022-23 & FY2023-24 to only be utilized for reimbursement of student loan repayment. No salary expenses or per diems are allowed to be utilized with the appropriation, so there is no funding source provided for the new FTE.

REVENUE:

We estimate there will be a General Fund revenue loss due to the income tax provisions, but the amount is indeterminable. The fiscal note will be revised when we have more information.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB:	945 (revised)	AM:	AGENCY/POLT. SUB: Nebraska Department of Education
REVIEWED BY:	Gary Bush	DATE:	1/24/22 PHONE: (402) 471-4161
COMMENTS: Agree with the agency that the bill provides appropriations of \$5 million in FY 2022-23 and FY 2023-24. Disagree with the 4% increase in salary in FY 2023-24. Over the past several years the agency has provided salary increases of 1% to 3%.			

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

2022

LB⁽¹⁾ 945 UPDATED

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Education

Prepared by: ⁽³⁾ Lane Carr Date Prepared: ⁽⁴⁾ 1.10.22 Phone: ⁽⁵⁾ 4024193012

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	<u>\$5,084,247</u>		<u>\$5,087,311</u>	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u>\$5,084,247</u>		<u>\$5,087,311</u>	

Explanation of Estimate:

The bill would require the NDE to create and implement a program to support a new student loan repayment program for teachers. Implementing, monitoring, and evaluating the program would require the NDE to employ a new FTE. The bill does not indicate the source of funding.

The bill intends to appropriate \$5 million in aid.

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>
Grant Specialist	<u>1</u>		<u>44,769</u>	<u>46,559</u>
Benefits.....			<u>34,468</u>	<u>35,742</u>
Operating.....			<u>5,010</u>	<u>5,010</u>
Travel.....				
Capital outlay.....				
Aid.....			<u>\$5,000,000</u>	<u>\$5,000,000</u>
Capital improvements.....				
TOTAL.....			<u>\$5,084,247</u>	<u>\$5,087,311</u>