

PREPARED BY: Scott Danigole  
 DATE PREPARED: April 10, 2024  
 PHONE: 402-471-0055

# LB 1402

Revision: 01

# FISCAL NOTE

## LEGISLATIVE FISCAL ANALYST ESTIMATE

Updated for all amendments adopted to date.

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2024-25</b>		<b>FY 2025-26</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$10,000,000		\$10,000,000	\$25,000,000
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$10,000,000</b>		<b>\$10,000,000</b>	<b>\$25,000,000</b>

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

LB 1402, as amended, appropriates \$10,000,000 for fiscal year 2024-25, and every year thereafter, from the General Fund to the State Treasurer for the purpose of providing educational scholarships to eligible students at qualified schools. Up to 7.5% of the funds (\$750,000) may be used for administrative expenses.

Sections 2 through 4 remove the nonrefundable income tax credit as provided in the Opportunity Scholarships Act.

Section 7 is the outright repeal of the Opportunity Scholarships Act. LB 753 (2023) created the Opportunity Scholarships Act. That fiscal note estimated a General Fund revenue loss of \$25,000,000 per year beginning in FY24-25. LB 1402's repeal of the Opportunity Scholarships Act will not occur until after FY24-25 begins and tax credits approved for tax year 2024. Therefore, the General Fund revenue loss will still occur in FY24-25. Beginning in FY25-26, this revenue loss will no longer be realized. Therefore, beginning in FY25-26, a General Fund revenue gain of \$25,000,000 is reflected in this fiscal note.