

PREPARED BY: Bill Biven, Jr.
 DATE PREPARED: February 13, 2023
 PHONE: 402-471-0054

LB 647

Revision: 00

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2023-24		FY 2024-25	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$195,009		\$201,247	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$195,009		\$201,247	

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

LB647 amends §79-734 to changes provisions relating to the purchase & Loan of textbooks for children enrolled in the kindergarten to twelfth grade at a private school.

Beginning July 1, 2024, the Nebraska Department of Education (NDE) will assume the reasonability of the textbook loan program purchases for non-public schools. NDE can utilize up to five percent of the program's appropriated funds to administer the program. NDE can also contract with a third-party vendor to assist in carrying out the implementation of the program.

EXPENDITURES:

The current allocation to the Textbook Loan Program is \$1,465,500 so the five percent being allocated to the administer the program is equal to \$73,275.

NDE estimates the need for an additional FTE, outside of the five percent administration allotment, to oversee this program. For FY23-24, the FTE will have a salary/benefits expense of \$121,734 & annual operating expense of \$73,275. For FY24/25, the FTE's salary/benefits will be \$127,972, & the annual operating expenses remains at \$73,275.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 647 AM: AGENCY/POLT. SUB: Nebraska Department of Education

REVIEWED BY: Gary Bush DATE: 2/13/23 PHONE: (402) 471-4161

COMMENTS: No basis to disagree with the estimate of needing a staff position. However, the agency has sufficient existing resources to dedicate to this activity and would not require additional appropriations. The bill provides a 5% administrative cost allowance. The current appropriation for textbook loans is \$1,465,500. This would mean 5% would be \$73,275.

Technical Note: The appropriation for textbook loans is contained in program 158. This program does not allow for administrative costs. Therefore, the administrative cost portion would need to be transferred to the agency's administrative program 025.

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2023

LB⁽¹⁾ 647

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Education

Prepared by: ⁽³⁾ Lane Carr Date Prepared: ⁽⁴⁾ 2.9.23 Phone: ⁽⁵⁾ 4024193012

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2023-24</u>		<u>FY 2024-25</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>\$195,009</u>	<u> </u>	<u>\$ 201,247</u>	<u> </u>
CASH FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
FEDERAL FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
OTHER FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u><u>\$195,009</u></u>	<u><u> 0</u></u>	<u><u>\$ 201,247</u></u>	<u><u> 0</u></u>

Explanation of Estimate:

LB647 transfers responsibility for textbook loan purchases for non-public school students to the State Department of Education beginning July 1, 2024. The bill allows the NDE to use up to five percent of appropriated funds for administration, and allows for a third-party vendor to support implementation. NDE will need to hire a staff person to manage this program in addition to the five percent allowed for administrative money allowed for the program.

The amount of aid to purchase textbooks is not included in this fiscal note since aid is already appropriated for this program.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2023-24</u>	<u>2024-25</u>
	<u>23-24</u>	<u>24-25</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
<u>Project Manager</u>	<u>1.0</u>	<u>1.0</u>	<u>79,501</u>	<u>84,271</u>
<u>Benefits.....</u>			<u>42,233</u>	<u>43,701</u>
<u>Operating.....</u>			<u>73,275</u>	<u>73,275</u>
<u>Travel.....</u>			<u> </u>	<u> </u>
<u>Capital outlay.....</u>			<u> </u>	<u> </u>
<u>Aid.....</u>			<u> </u>	<u> </u>
<u>Capital improvements.....</u>			<u> </u>	<u> </u>
TOTAL.....			<u><u>\$195,009</u></u>	<u><u>\$ 201,247</u></u>