

Revised to reflect AM1681

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	\$1,158,981		\$1,639,458	
CASH FUNDS	\$46,564,300	\$33,010,000	\$37,485,700	\$23,470,200
FEDERAL FUNDS				
OTHER FUNDS		(\$10,000,000)		
TOTAL FUNDS	\$47,723,281	\$23,010,000	\$39,125,158	\$23,470,200

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

AM1681 amends LB705 as follows:

For all fiscal years beginning on & after July 1, 2024, the Coordinating Commission for Postsecondary Education (CCPE) will allocate up to two hundred fifty thousand dollars of the funds transferred to the Excellence in Teach Cash Fund for grants to teachers pursuant to the Career-Readiness & Dual-Credit Education Grant Program. The CCPE will also allocate up to five hundred thousand dollars of the funds transferred for grants & loans to students enrolled in a teacher education program for student-teaching semesters.

On or before January 15 of each school year, a school district with expected special education expenditures that total at least fifty thousand dollars annually or one-half percent or more of that school district's annual budget, whichever is greater, may submit an application as prescribed by the Nebraska Department of Education (NDE) to the department for a payment from the Education Future Fund to cover an extraordinary increase in special education expenditures. The application will include the special education expenditures of the applicant school district as of the immediately preceding December 31 for the school year in which the application is submitted. NDE will make a payment to each district that applied on or before January 31 for the school year in which the application is submitted. The payment will equal the maximum payment, except that if the sum of all maximum payments for the districts for that school year exceeds the available balance in the Education Future Fund, each payment will be reduced proportionally so that the sum of all payments for the districts for that school year equals the available balance for the fund.

Eliminates the Paraprofessional to Teacher Program Fund previously created in LB705.

NDE will create & administer the Nebraska Teacher Apprenticeship Program. The purpose of the program is to help recruit & increase the number of teachers throughout the state by utilizing an apprenticeship model for training. The program will provide for an applicant who successfully completes the program to obtain a teaching certificate or permit issued by the Commissioner of Education. NDE may work with standard institutions of higher education, the Department of Labor, & other entities that NDE deems necessary to develop & implement the program.

Beginning in FY2024-25, each public high school student will complete & submit to the United States Department of Education a Free Application for Federal Student Aid (FAFSA) prior to graduating from such high school. On or before December 31, 2025, & on or before December 31 of each year thereafter, the Commissioner of Education will electronically submit a report with the information received by NDE to the Clerk of the Legislature.

EXPENDITURES:

It is the intent of the Legislature to appropriate up to two million five hundred thousand dollars from the Education Future Fund for FY2023-24 & each year thereafter for payments to qualifying applicants for their Extraordinary Increases in Special Education Expenditures Act.

It is the intent of the Legislature to appropriate one million dollars for FY2023-24 and each fiscal year thereafter from the Education Future Fund to NDE for the Nebraska Teacher Apprenticeship Program.

It is the intent of the Legislature to appropriate ten million dollars from the Education Future Fund to carry out the Nebraska Teacher Recruitment & Retention Act.

The remaining provisions of LB705 are as follows:

For FY2023-24, all lottery funds available to be used for education will be transferred into the Nebraska Education Improvement Fund & distributed accordingly:

Statutory Earmarks: §9-812 (4)	Current	LB705	Current Law – FY2022-23	LB705 – FY2023-24
Nebraska Opportunity Grant Fund	62.0%	62.0%	\$14,039,761	\$14,266,200
Department of Education Innovative Grant Fund	17.0%	17.0%	\$3,849,612	\$3,911,700
Community College Gap Assistance Program Fund	9.0%	9.0%	\$2,038,030	\$2,070,900
Excellence in Teaching Cash Fund	8.0%	8.0%	\$1,811,582	\$1,840,800
Distance Education Incentives	3.0%	3.0%	\$679,344	\$690,300
Expanded Learning Opportunity Grant Fund	1.0%	1.0%	\$226,448	\$230,100
Totals	100.0%	100.0%	\$22,644,777*	\$23,010,000*

*Estimated Totals

For FY2024-25 through FY2028-29, all lottery funds available to be used for education will be transferred as follows:

- 58.0% - Nebraska Opportunity Grant Fund
- 10.0% - Department of Education Innovative Grant Fund
- 8.0% - Behavioral Training Cash Fund
- 8.0% - Excellence in Teaching Cash Fund
- 7.0% - Community College Gap Assistance Program Fund
- 3.0% - Distance Education Incentives
- 2.0% - College Pathway Program Cash Fund
- 1.5% - Expanded Learning Opportunity Grant Fund
- 1.5% - Mental Health Training Cash Fund
- 1.0% - Door to College Scholarship Fund

For FY2029 & each year thereafter, all lottery funds available to be used for education will be transferred as the Legislature directs.

Statutory Earmarks: §9-812 (4)	Current	LB705	Current Law – FY2022-23	LB705 – FY2024-25
Nebraska Opportunity Grant Fund	62.0%	58.0%	\$14,039,761	\$13,612,716
Department of Education Innovative Grant Fund	17.0%	10.0%	\$3,849,612	\$2,347,020
Behavioral Training Cash Fund		8.0%	\$0	\$1,877,616
Excellence in Teaching Cash Fund	8.0%	8.0%	\$1,811,582	\$1,877,616
Community College Gap Assistance Program Fund	9.0%	7.0%	\$2,038,030	\$1,642,914
Distance Education Incentives	3.0%	3.0%	\$679,344	\$704,106
College Pathway Program Cash Fund		2.0%	\$0	\$469,404
Expanded Learning Opportunity Grant Fund	1.0%	1.5%	\$226,448	\$352,053
Mental Health Training Cash Fund		1.5%	\$0	\$352,053
Door to College Scholarship Fund		1.0%	\$0	\$234,702
Totals	100.0%	100.0%	\$22,644,777*	\$23,470,200*

*Estimated Totals

Of the ten percent of funds transferred into the Department of Education Innovative Grant Fund, eight & three-fourths percent will be used for innovation grants, & the remaining one & one-fourth percent will be used for innovation & improvement grants.

For FY2024-25 through 2028-29, the difference of the amount transferred into the Distance Education Incentives Fund on August 1, when the applications were due, will be divided by the number of distance education units to determine the incentive per distance education unit, except that the incentive per distance education unit will not equal an amount greater than one thousand dollars.

The balance of the Nebraska Education Improvement Fund on July 26, 2024, less three percent of the money received for the fourth quarter of FY2023-24, will be transferred into the Behavioral Training Cash Fund.

The State College Facility Fee Fund created in §85-328 will now be called The State College Capitol Improvement Fee Fund.

The Behavioral Training Cash Fund is created. The fund will be administered by the Nebraska Department of Education (NDE), & will consist of money transferred by §9-812 & the Legislature, & will be used for the purposes of coordinating training & administering the teacher support system in compliance with the Behavioral Intervention Training & Teacher Support Act.

The Mental Health Training Cash Fund is created. The fund will be administered by NDE, & will consist of money transferred by §9-812 & the Legislature, & will be used for mental health training grants. NDE will establish a mental health training grant program. NDE will award mental health training grants from any money available in the Mental Health Training Cash Fund. A grantee will be a school district or an Educational Service Unit (ESU).

The College Pathway Program Cash Fund is created. The fund will be administered by NDE, & will consist of money transferred by §9-812 & the Legislature, & will be used carry out the College Pathway Program Act.

The Career-Readiness & Dual-Credit Education Grant Program is established. The program will be administered by the CCPE. The commission, in consultation with NDE, the Department of Labor (DOL), & any advisory committee established by the commission will:

- Create & establish teacher education pathways enabling the instruction of dual-credit courses & career & technical education courses
- Correlate & prioritize teacher education pathways with Nebraska workforce demand
- Establish a grant program beginning on or after July 1, 2024, to distribute money from the Excellence in Teaching Cash Fund to teachers enrolled in education pathways leading to qualification to teach dual-credit courses & career & technical education courses
- Establish a directory of available teacher education pathways in Nebraska identified by sequence & location

The School Safety & Security Fund is created. The fund will be administered by NDE & will consist of any money transferred by the Legislature & any gifts, grants, or bequests. NDE will use money in the fund to provide grants to school districts & ESUs on behalf of approved or accredited non-public schools for security-related infrastructure projects.

The Door to College Scholarship Fund is created. The CCPE will administer the fund, which will consist of amounts transferred from the State Lottery Operation Trust Fund prior to July 1, 2029, as well as any money transferred by the Legislature & gifts, grants, or bequests from any source, including federal, state, public, & private sources. All amounts accruing to the Door to College Scholarship Fund will be used to carry out the Door to College Scholarship Act.

The Extraordinary Increase in Special Education Expenditures Fund is created. The fund will be administered by NDE & will consist of money transferred by the Legislature. NDE will make a payment to each qualifying applicant school district from the Extraordinary Increase in Special Education Expenditures Fund for an extraordinary increase in special education expenditures. NDE will reimburse the fund for each payment from the appropriation for special education & support services reimbursements in the school fiscal year immediately following the school fiscal year in which each payment was made. For each school district that received a payment from the Extraordinary Increase in Special Education Expenditures Fund in the school year for which the special education expenditures were reimbursed, an amount equal to that payment will be subtracted from the reimbursement calculated & that amount will be transferred to the Extraordinary Increase in Special Education Expenditures Fund.

The High School Equivalency Grant Fund is created. The fund will be used to provide assistance to institutions that offer high school equivalency programs & for expanding services & programs to support the completion of the general educational development program. Each institution will offer to eligible individuals adult dropout recovery services, including recruitment & learning plan development, & provide proactive coaching & mentoring to such individuals, culminating in qualification for a high school diploma.

The Nebraska Teacher Recruitment & Retention Act is created to provide financial incentives to recruit & retain teachers in Nebraska's classrooms. New teachers would be eligible for a two thousand five-hundred dollar grant at the beginning of years two, four, & six. Teachers with a high-need certification will be eligible for a one-time grant worth five thousand dollars at the beginning of a school year in which such high-need subjects are taught by the grant recipient. The Nebraska Teacher Recruitment & Retention Act terminates on January 1, 2028.

To facilitate the open enrollment provisions, each school year each member school district in a Learning Community will establish a maximum capacity for each school building under that district's control pursuant to procedures & criteria established by NDE.

Capacity for special education services operated by an option school district will be determined on a case-by-case basis. If an application for option enrollment received by a district indicates that the student has an individualized education plan (IEP) under the Individuals with Disabilities Education Act or has been diagnosed with a disability as defined in §79-118.01,13, the application will be evaluated by the district's director of special education services, on a case-by-case basis, who will then determine if the district has the capacity to provide the applicant the appropriate services & accommodations.

Each school board will establish policies & procedures to allow any student who is a resident of the school district & is enrolled in a school which elects not to meet accreditation or approval requirements to participate in any extracurricular activities including, but not limited to, interschool competitions, to the same extent & subject to the same requirements, conditions, & procedures as a student enrolled in a public school governed by that board, except that any school which elects not to meet accreditation or approval requirements will set the standards for satisfactory academic performance for a student from the school to participate in extracurricular activities & will provide assurances of compliance with those academic standards. School board policies & procedures will require any student participating in extracurricular activities to be enrolled in no more & no less than five credit hours offered by the school district in any semester, will not allow any preference in the selection of a student for participation in an extracurricular activity based on the student's status as a full-time student in the school district, & could require any student participating in extracurricular activities to follow school policies that apply to other students when present on school grounds or at a school-sponsored activity or athletic event.

The Legislature finds that & declares that there is an educator workforce shortage & efforts need to be made to recruit, prepare, retain,

& support the teaching profession while maintaining high-quality educators in our classrooms around the state. The purpose of §79-806 to §79-815 is to provide more flexibility in the certification of qualified educators for Nebraska schools & not to decrease any requirements for certificates to teach, provide special services, & administer in Nebraska Schools. The rules & regulations will not require any test of basic skills. In addition to certificates issued, the Commissioner of Education will issue an alternative certificate to teach on a full-time basis to any applicant who meets the criteria established by NDE.

An elementary school will not suspend a student in pre-kindergarten through second grade. Each school district will develop a policy to implement which will include disciplinary measures inside the school as an alternative to suspension. An elementary school can suspend a student in pre-kindergarten through second grade if the student brings a deadly weapon on school grounds, in a vehicle owned, leased, or contracted by a school being used for a school purpose or in a vehicle being driven for a school purpose by a school employee or their designee, or at a school-sponsored activity or athletic event.

Amends several sections of §79-254 through §79-259, to change provisions relating to intent, suspension, expulsion, reassignment, discipline, & hearings within the Student Discipline Act.

Amends §79-2,103 to require school districts to allow youth organizations to provide information about the services & activities that they offer to the students.

On or before September 20, 2022, & on or before each September 20 thereafter, any department or agency receiving a transfer or acting as the administrator for a fund receiving a transfer or any recipient or subsequent recipient of money from any lottery fund, & any service contractor responsible for managing any portion of any lottery fund or any money disbursed from any lottery fund on behalf of any entity will prepare & submit an annual report to the Auditor of Public Accounts (APA) for the immediately preceding fiscal year detailing information regarding the use of lottery funds or lottery money.

The APA will annually compile a summary of all the annual reports received & any findings or recommendations related to lottery transfers into a consolidated annual report & will submit that report electronically to the Legislature on or before January 1, 2023, & on or before each January 1 thereafter.

Beginning in FY2023-24, at least five of the minimum credit hours will be a high school course in personal finance or financial literacy.

Beginning in FY2023-24, under the direction of the state school security director: all public-school employees who interact with students & any other employees determined by the district's superintendent, will receive at least one hour of behavioral & Mental health training with a focus being on suicide awareness & prevention.

Beginning in FY2023-24, all public-school employees who interact with students & any other appropriate personnel, as determined by the school superintendent, will receive at least one hour of behavioral & mental health training with a focus on suicide awareness & prevention training each year. The training can include, but is not limited to, topics such as identification of early warning signs & symptoms of behavioral & mental health issues in students, appropriate & effective responses for educators to student behavioral & mental health issues, trauma-informed care, & procedures for making students & parents & guardians aware of services & supports for behavioral & mental health issues.

On or before October 1, 2023, NDE, the Department of Health & Human Services (DHHS), the Office of Probation Administration, & the State Court Administrator will enter into a memorandum of understanding for the sharing of data relevant to students who are under the jurisdiction of the juvenile court. The purpose for the sharing of data is to provide systems-wide coordination to improve educational opportunities, outcomes, & to facilitate service coordination for those students. The memorandum will include the intent for NDE to contract with an outside consultant with expertise in the education of court-involved students to assist in the development of those policies & procedures. The consultant will provide a draft report containing the recommendations to the appropriate agency representatives & to the Commissioner of Education, the chief executive officer of DHHS, & the Chief Justice of the Supreme Court on or before September 1, 2024. NDE will complete a final report detailing the recommendations of the consultant & any policies & procedures that are being considered for adoption by NDE, DHHS, the Office of Probation Administration, & the State Court Administrator. The report will be delivered electronically to the Chief Justice of the Supreme Court, the Governor, & the Clerk of the Legislature on or before December 1, 2024.

Beginning January 1, 2024, NDE will establish an innovation grant program to procure or purchase an annual license for learning platforms for use in schools to engage students in coursework & careers in science, technology, engineering, entrepreneurship, & mathematics. On or before December 1 of each calendar year, the state board will electronically submit a report to the Clerk of the Legislature on all grant programs, including, but not limited to, the recipients of the programs & evaluations of the effectiveness of each grant program.

On or before March 1, 2024, the State Board of Education will adopt measurable academic content standards for computer science & technology education under the mathematics, science, or career & technical education standards.

Through June 30, 2024, school boards & boards of education will purchase & loan textbooks, upon individual request, to children who are enrolled in kindergarten to grade twelve of a private school which is approved for continued legal operation under rules & regulations established by NDE pursuant to §79-318.

Beginning on July 1, 2024, NDE will purchase & loan textbooks, upon individual request, to children who are enrolled in kindergarten to grade twelve of a private school which is approved for continued legal operation under rules & regulations established by the State Board of Education pursuant to §79-318. NDE is not obligated to spend any money for the purchase & loan of textbooks to children enrolled in private schools other than funds specifically appropriated by the Legislature.

Beginning July 1, 2024, NDE will establish an improvement grant program in areas that include, but not limited to teacher recruitment & retention, improvement for schools & school districts, improvement in student performance in the subject areas of reading & mathematics, & other improvement areas identified by the board. The grants will be funded using lottery funds. On or before December 1 of each calendar year, the state board will electronically submit a report to the Clerk of the Legislature on all grant programs, including, but not limited to, the recipients of the programs & evaluations of the effectiveness of each grant program. On & after July 1, 2024, all powers, duties, & functions that NDE had pursuant to the Excellence in Teaching Act are transferred to the Coordinating Commission for Postsecondary Education (CCPE). All documents & records of NDE pertaining to duties & functions under the Excellence in Teaching Act will be transferred to CCPE & will become the property of the commission.

Beginning July 1, 2024, & on or before July 1 of each year thereafter, each school district will provide NDE with information relating to all applications rejected by the option school district. NDE will annually compile the information received & provide a report on that information electronically to the Legislature beginning on September 1, 2024, & on or before September 1 of each year thereafter.

Beginning in FY24-25, the Commissioner of Education will grant a temporary certificate to teach on a full-time basis to any applicant who meets the criteria established by NDE.

Beginning in FY2024-25, the Educational Service Unit Coordinating Council (ESUCC) will ensure annual behavioral awareness training is available statewide & develop, implement, & administer an ongoing statewide teacher support system.

On or before December 1, 2024, & each December 1 thereafter, NDE will electronically submit a report to the Clerk of the Legislature regarding the College Pathway Program Act, including, but not limited to, the recipients of grants & evaluations of the effectiveness of the grant program.

On or before July 1, 2025, NDE will develop & adopt a model policy relating to behavioral intervention, behavioral management, classroom management, & removal of a student from a classroom in school. The model policy will include appropriate training for school employees on behavioral intervention, behavioral management, classroom management, & removal of a student from a classroom in schools & how frequently that training will be required.

On or before July 1, 2025, & on or before July 1 of each year thereafter, each school district will submit a behavioral awareness training report to the ESUCC. The report will include the district behavioral awareness training plan & summarize how the plan fulfills the requirements.

On or before August 1, 2025, each school district will develop & adopt a policy consistent with or comparable to the model policy developed by NDE which will be a requirement for accreditation in accordance with §79-703. The policy will be filed with the Commissioner of Education. The policy developed & adopted by a school district will be included with any notifications required under the Student Discipline Act.

Beginning August 1, 2025, accreditation standards will require each school district to develop & adopt a policy relating to behavioral intervention, behavioral management, classroom management, & removal of a student from a classroom.

On or before December 31, 2025, & each December 31 thereafter, the ESUCC will submit a report electronically to the Education Committee of the Legislature summarizing the behavioral awareness training reports received by districts, the various trainings provided across the state, the teacher support system, & a financial report of funding received & expended in accordance with the Behavioral Intervention Training & Teacher Support Act.

On December 31, 2025, & each December 31 thereafter, electronically submit an annual report on grants awarded pursuant to the Career-Readiness & Dual-Credit Education Grant Program to the Clerk of the Legislature. The report will include, but not limited to, the number & amount of grants awarded, the postsecondary educational institutions attended by grant recipients, & information regarding the completion of instructor requirements to teach dual-credit courses & career & technical education courses.

Beginning in FY2026-27, each school district will ensure that each administrator, teacher, paraprofessional, school nurse, & counselor receives behavioral awareness training. Each administrator, teacher, paraprofessional, school nurse, & counselor who has received training will receive a behavioral awareness training review at least once every three years. Each district can offer training, or similar training, to any other school employees at the discretion of the school district. In addition, all school employees will have a basic awareness of the goals, strategies, & schoolwide plans included in the training.

Beginning in FY2026-27, each school district will ensure that any school employee who has behavioral management responsibilities participates in behavioral awareness & intervention training consistent with the school district policy. The training will be provided by the school district or the school district's ESU.

Beginning in FY2027-28, at least five of the minimum credit hours will include be a high school course or the equivalent of a one-semester high school course in computer science & technology. The requirement can be completed through a single course or combination of high school courses that cover the computer science & technology academic content standards.

On or before December 31, 2027, the Education Committee of the Legislature will electronically submit recommendations to the Clerk of the Legislature regarding how the money used for education from the State Lottery Operation Trust Fund should be allocated to best advance the educational priorities of the state for the five-year period beginning with FY2029-30.

On or before October 1, 2028, & every five years thereafter, NDE will electronically provide to the Education Committee of the Legislature recommended changes that reflect advances in technology & educational content for students.

EXPENDITURES:

The bill states the intent to transfer two million five hundred thousand dollars from the Education Future Fund to the Extraordinary Increase in Special Education Expenditures Fund for FY2023-24 to carry out the Extraordinary Increase in Special Education Expenditures Act. It is the intent of the Legislature that the Extraordinary Increase in Special Education Expenditures Fund maintain a minimum balance at the start of each fiscal year of two million five hundred thousand dollars & that the Legislature make transfers from the Education Future Fund to the Extraordinary Increase in Special Education Expenditures Fund annually to maintain the minimum balance.

The bill states the intent to use funds from the Education Future Fund to carry out the Nebraska Teacher Recruitment & Retention Act. NDE estimates 650 teachers will be eligible for a retention one grant, which totals \$1,625,000 for both FY2023-24 & FY2024-25. NDE estimates 729 teachers in FY2023-24 & 656 teachers in FY2024-25 will be eligible for a retention two grant, which totals \$1,822,500 for

FY2023-24 & \$1,640,000 for FY2024-25. NDE estimates 891 teachers in FY2023-24 & 663 teachers in FY2024-25 will be eligible for a retention three grant, which totals \$2,227,500 for FY2023-24 & \$1,657,500 for FY2024-25. The Legislative Fiscal Office (LFO) estimates 325 teachers for both FY2023-24 & FY2024-25 will be eligible for a high-need retention grant, which totals \$1,625,000 for both FY2023-24 & FY2024-25.

The bill states the intent to appropriate eight hundred seventy thousand dollars from the General Fund for FY2024-25 & each fiscal year thereafter to NDE to carry out the School Safety & Security Reporting System Act.

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. The five percent being appropriated to administer the funds will need to be done through the NDE's Program 025 Department Administration/Operations with the remaining balance funded through NDE's Program 158 Education Aid.

The bill states the intent of the Legislature to appropriate seven hundred fifty thousand dollars annually from the General Fund to provide assistance to institutions that offer high school equivalency programs & for expanding services & program to support the completion of the general education test. The current appropriation for high school equivalency is \$750,000 per year. This language allows another use for these funds.

The bill transfers ten million dollars from the Cash Reserve Fund to the School Safety & Security Fund as soon as administratively possible after the operative date, on dates & in amounts as directed by the budget administrator of the budget division of the Department of Administrative services.

NDE estimates that the contract for the outside consultant will be \$400,000 for FY2023-24 to carry out the memorandum of understanding between the Office of Probation Administration, the State Court Administrator, NDE, & DHHS.

Beginning on and after July 1, 2024, the commission will allocate on an annual basis up to two hundred fifty thousand dollars of the funds transferred for grants to teachers pursuant to the Career-Readiness and Dual-Credit Education Grant Program.

The CCPE estimates the need to add additional FTEs to accommodate the changes in the administration of programs. For FY24-25, the FTEs will have a salary/benefits expense of \$182,100; & operating expenses of \$47,200. These expenses should be offset by reductions to NDE staffing.

NDE estimates the need to add 4 FTEs to administer the changes from LB705. For FY23-24. the FTEs will have a salary/benefits expense of \$440,892; operating expenses of \$108,726; & travel expenses of 9,452. For FY24-25. the FTEs will have a salary/benefits expense of \$459,898; operating expenses of \$104,007; & travel expenses of \$9,736. NDE should have reductions in personnel expenses due to some programs ending, which will offset some or all of these costs.

NSP will need to add 3 new FTEs to handle the increase in background checks. The salary & benefits for the FTEs will cost \$140,690, the operating expenses will be \$23,352, & capital outlay will be \$12,000 for FY2023-24. The salary & benefits for the FTEs will cost \$140,690 & the operating expenses will be \$18,052 for FY2024-25.

The Nebraska State College System (NSCS) estimates that each state college campus (Peru St., Wayne St., & Chadron St.) will need 20 hours to validate & test the updated admission applications & remove the questions related to criminal backgrounds. NSCS also estimates the need for a total of 60 hours of contract work to complete the provisions. The expenses to the campuses is estimated to be \$1,377 & the expense for the contract work is estimated to be \$3,297.

REVENUES:

NSP has estimated that they will need to do 1,200 background checks in FY2023-24 & 800 in FY2024-25. The fee being charged to the youth organization for each background check will be \$45.25, resulting in \$54,300 in Cash Fund revenue for FY2023-24 & \$36,200 for FY2024-25.

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2023

LB⁽¹⁾ 705 AM 1681

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ NE Dept of Education

Prepared by: ⁽³⁾ Bryce Wilson Date Prepared: ⁽⁴⁾ _____ Phone: ⁽⁵⁾ 402-471-4320

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	\$250,000	_____	\$25,000	_____
CASH FUNDS	\$3,500,000	_____	\$4,250,000	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>\$3,750,000</u>	_____	<u>\$4,275,000</u>	_____

Explanation of Estimate:

Section 24 creates grants up to a total of \$250,000 for career-readiness and dual-credit education grant program starting July 2024, Section 24 also creates grants up to a total of \$500,000 for teacher education programs for student-teaching semesters

The intent of Section 41 and 42 to appropriate \$2.5 million dollar to the Extraordinary Increase in Special Education Cost Fund for fiscal year 2023/24. This increases the dollar amount necessary to comply with IDEA Maintenance of State Financial Support (MFS). 34 CFR 300.163(a) "A State must not reduce the total amount of State financial support for special education and related services for children with disabilities, or otherwise made available because of the excess costs of educating those children, below the amount of that support for the preceding fiscal year." States that fail to maintain support will have their Federal IDEA Part B Section 611 grant reduced by the same amount by which the state failed to meet the requirement.

To qualify for the extraordinary special education funding a district may submit an application to NDE on or before January 15th with their special education expenditures as of December 31st for the current year. If the district's special education expenditures exceed half of the special education expenditures of the prior year multiplied by one hundred seven percent, the excess current year expenditures will be reimbursed on or before January 31st. If there are more qualifying reimbursements than what is allocated by the State, the reimbursements will be proportionally reduced for all districts submitting qualifying expenses for the early reimbursement. Any reimbursement received would be later reduced when the final financial reports for special education costs are submitted. This would require \$250,000 to enhance the current SPED reimbursement system and process payments with \$25,000 annual cost after the initial year.

Section 51 would require the NDE to create the Nebraska Teacher Apprenticeship Program and create the Nebraska Teacher Apprenticeship Fund. The bill allows for a pilot program to assist in the creation of the program. Estimates from states implementing similar programs suggest \$25,000 would be required *per apprentice* to cover fees associated with tuition, payroll for the apprentice, stipends for the observing teacher, and administration of the program. There is one million allocated from Education Future Fund for this purpose.

Starting with the 2024-25 school year, Section 79 would require high school students to fill out the Free Application for Federal Student Aid (FAFSA) form for federal financial aid for their postsecondary education. School districts may incur some expenses implementing and maintaining this new requirement, but the fiscal impact is unknown at this time.

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>
Benefits.....				
Operating.....			\$250,000	\$25,000
Travel.....				
Capital outlay.....				
Aid.....			\$3,500,000	\$4,250,000
Capital improvements.....				
TOTAL.....			\$3,750,000	\$4,275,000