

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>				
	<b>FY 2022-23</b>		<b>FY 2023-24</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See Below		See Below	

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

This bill creates the Nebraska Nursing Incentive Act. The act establishes a scholarship program for Nebraska residents who intend to enroll in an approved nursing program; intend to practice as a licensed practical nurse or nurse aide upon completion of the approved nursing program and agree in writing to work for two years in Nebraska as a licensed practical nurse or nurse aide. The bill states legislative intent to appropriate \$5 million in FY 2023 from the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) under the American Rescue Plan Act.

For purposes of this fiscal note, it assumed the one-time appropriation would be reappropriated and expended over the four and half fiscal years SLFRF are available. Both scholarship and administrative funds would be included in the one-time appropriation. A Program Specialist would be needed to implement the scholarship program and administer it. The costs for the Program Specialist would be \$71,922 in FY 2023; \$86,306 in FY 2024 and beyond. SLFRF funds must be obligated by December 31, 2024, and fully expended by December 31, 2026. It is assumed the program would terminate with the expenditure of the SLFRF funds. There would be some residual administrative tasks monitoring the practice agreements that would continue for a period of time after December 31, 2026 which would require state general funds.

The following are the allowed uses of SLFRF:

- **Replace lost public sector revenue**, using this funding to provide government services up to the amount of revenue lost due to the pandemic
- **Respond to the far-reaching public health and negative economic impacts of the pandemic**, by supporting the health of communities, and helping households, small businesses, impacted industries, nonprofits, and the public sector recover from economic impacts
- **Provide premium pay for essential workers**, offering additional support to those who have and will bear the greatest health risks because of their service in critical sectors
- **Invest in water, sewer, and broadband infrastructure**, making necessary investments to improve access to clean drinking water, to support vital wastewater and storm water infrastructure, and to expand affordable access to broadband internet

LB: 1091	AM:	AGENCY/POLT. SUB: Nebraska Department of Health and Human Services		
REVIEWED BY: Ann Linneman	DATE: 2-8-2022	PHONE: (402) 471-4180		
COMMENTS: No basis to disagree with the Nebraska Department of Health and Human Services' assessment of fiscal impact. The maximum funding available under the federal Coronavirus State Fiscal Recovery Fund is \$1.04 billion, of which only \$520 million is currently available. Appropriation of these funds must be balanced in aggregate in order to avoid over obligation. Technical Note: The language in LB 1091 does not provide the level of detail necessary to enact the appropriation intended.				

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

Prepared by: (3) John Meals

Date Prepared 2-7-2022

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	<u>FY 2022-2023</u>		<u>FY 2023-2024</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
<b>GENERAL FUNDS</b>				
<b>CASH FUNDS</b>				
<b>FEDERAL FUNDS</b>	\$5,000,000	\$0	\$0	\$0
<b>OTHER FUNDS</b>				
<b>TOTAL FUNDS</b>	\$5,000,000	\$0	\$0	\$0

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

**Explanation of Estimate:**

LB1091 creates the Nebraska Nursing Incentive Act in order to provide scholarships for Nebraska residents intending to pursue a nursing career. LB1091 appropriates \$5,000,000 from the Coronavirus State and Local Fiscal Recovery Program (SLFRP) funds allocated to Nebraska under the American Rescue Plan Act (ARPA).

LB1091 assigns all duties required to implement this act to the Department of Health and Human Services (DHHS). DHHS will be required to create applications, advertise, review and award scholarships as well as provide all associated program administration duties. It is expected this work will require 1 FTE Program Specialist to complete. It is expected that the majority of program duties would continue until the obligation deadline of December 31, 2024 with administrative follow-up duties to occur until the expenditure deadline of December 31, 2026. After this date, there will be additional program administration duties to confirm the required two-year commitments have been completed by scholarship recipients and that Federal reporting and closeout requirements are met. Any costs incurred after the Federal deadline could not be funded with ARPA;SLFRP funds. LB1091 does not set deadlines for completing education and the two year employment requirements.

This fiscal note assumes that program administrative costs are included in the appropriated amount. However, appropriations for administrative expenses must be made under Program 033 – Administration. The amount of funding available for grants will be reduced by the total administrative costs.

The annual estimated costs for program administration is as follows:

<u>Position</u>	<u>FY2022-2023</u>	<u>FY2023-2024</u>	<u>FY2024-2025</u>	<u>FY2025-2026</u>
Program Specialist @ .83 FTE	\$41,600	\$49,920	\$49,920	\$49,920
1st FY & 1.0 FTE following FYs				
Benefits	\$14,240	\$17,088	\$17,088	\$17,088
Operations	\$16,082	\$19,298	\$19,298	\$19,298
Estimated Administrative Costs	\$71,922	\$86,306	\$86,306	\$86,306

**MAJOR OBJECTS OF EXPENDITURE**

<u>PERSONAL SERVICES:</u>	<u>NUMBER OF POSITIONS</u>		<u>2022-2023</u>	<u>2023-2024</u>
	<u>POSITION TITLE</u>	<u>22-23</u>	<u>23-24</u>	<u>EXPENDITURES</u>

Benefits.....		
Operating.....		
Travel.....		
Capital Outlay.....		
Aid.....	\$5,000,000	\$0
Capital Improvements.....		
<b>TOTAL.....</b>	<b>\$5,000,000</b>	<b>\$0</b>