

PREPARED BY: Bill Biven, Jr.
 DATE PREPARED: February 22, 2023
 PHONE: 402-471-0054

LB 528

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	See below		See below	
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.

LB528 amends §79-239 to create the Nebraska Enrollment Tuition Account Program & the Nebraska Option Education Savings Account Program.

LB528 gives families a second option if they're option enrollment request is denied by a school district by allowing the family to request an option enrollment tuition account through the Nebraska Board of Education. The request & a copy of the rejection notice must be received within thirty days after the date when notification of the rejection was received by the parent or legal guardian. Upon receipt of the request & copy of the rejection notice, the board will issue an option enrollment tuition account upon determination of eligibility. The option enrollment student's scholarship account must be used for tuition and fees at a private, denominational, or parochial school, & the amount deposited will be equal to the adjusted average per pupil cost of the preceding school year unless the student has a disability, then the amount deposited into their scholarship account will be an additional amount equal to the reimbursement rate. Up to five percent of scholarship account funds for purposes of administering the program.

EXPENDITURES:

While the amount needed to be deposited into the Nebraska Option Education Savings Account is defined, the funding source is not, and as such, we assume use of General Funds

Fiscal impact cannot be determined at this time.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE				
LB:	528	AM:	AGENCY/POLT. SUB: Nebraska Department of Education	
REVIEWED BY:	Gary Bush	DATE:	1/25/23	PHONE: (402) 471-4161
COMMENTS: Unable to comment as the agency did not provide an estimate of the impact. Agree that a funding source is not included in the bill, but it is reasonable that General Funds would be required.				

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

2023

LB⁽¹⁾ 528

FISCAL NOTE

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

Prepared by: ⁽³⁾ Bryce Wilson Date Prepared: ⁽⁴⁾ 1/23/23 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	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

LB 528 creates a second option when option enrollment requests are denied. An option enrollment tuition account can be requested with the Dept instead of an appeal which must be created and funded within fifteen days. The amount of funding will be the average per pupil cost from the prior year unless the student has a disability in which case an additional amount equal to the special education reimbursement rate of the resident district would be included. The funds may only be used for tuition and fees at private, denominational, or parochial school. The NDE may keep up to 5% of the scholarship fund amount for administration of the account or for a contract with a third party to administer the fund.

This bill creates the Nebraska Option Education Savings Account. There is no mention for how this new account is funded.

Fiscal impact cannot be determined 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.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____