

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2024-25		FY 2025-26	
	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.

LB1252 amends §79-2607 to change provisions relating to the Nebraska Reading Improvement Act.

The Nebraska Department of Education (NDE) will develop & implement a professional learning system to help provide sustained professional learning & training regarding evidence-based reading instruction for teachers who teach students in kindergarten through third grade at an approved or accredited school & teachers employed by an early childhood education program approved by the State Board of Education.

NDE will work with Educational Service Units (ESUs) to enable them to provide to approved or accredited elementary schools regional coaches who are equipped to provide assistance & job-embedded training regarding evidence-based reading instruction to teachers who teach students in kindergarten through third grade. The regional coaches will be deployed in a manner that enables the coaches to spend a majority of the time at schools & in classrooms with the greatest need for improvement in reading based upon the accountability system.

NDE will, as practicable, explore partnerships with postsecondary educational institutions relating to the development of the professional learning system & training for teachers who instruct students in kindergarten through third grade in reading regarding evidence-based reading instruction & the science of reading.

EXPENDITURES:

There is intent to appropriate \$10,000,000 from the General Fund for FY2024-25 & each year thereafter to NDE to provide regional coaches & training regarding evidence-based reading instruction.

NDE estimates the need for an additional FTE to coordinate & facilitate the program. For FY2024-25, the FTE will have salary/benefits expense of \$117,273; operating expenses of \$21,592; & travel expenses of \$9,668. For FY2025-26, the FTE will have salary/benefits expense of \$120,792; operating expenses of \$22,240; & travel expenses of \$9,958.

Remaining funds appropriated to NDE will be used to pay for increased expenses to ESUs.

For FY2024-25, the Educational Service Unit Coordinating Council (ESUCC) estimates the need to add 37 FTEs across the seventeen ESUs in Nebraska. The FTEs will have a salary/benefits expense of \$3,700,000; & travel expenses of \$50,000. For FY2025-26, the number of FTEs needed increases to 74. The FTEs will have a salary/benefits expense of \$7,622,000; & travel expenses of \$100,000.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE				
LB:	1252	AM:	AGENCY/POLT. SUB	Educational Service Unit Coordinating Council
REVIEWED BY:	Gary Bush	DATE:	2/8/24	PHONE: (402) 471-4161
COMMENTS: No basis to disagree with the estimate provided however the number of staff need appears to be very high. The intent is to appropriation General Funds to the Department of Education who would in turn pay for the services called for in the bill. The state does not directly appropriation funds to the ESUs.				
Technical Note: The current appropriation language in the bill is not sufficient to create an appropriation. The fiscal impact assessment assumes an accompanying A-bill articulating appropriation in accordance with §49-804.				

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB:	1252	AM:	AGENCY/POLT. SUB: Nebraska Department of Education
REVIEWED BY:	Gary Bush	DATE:	2/12//24
		PHONE:	(402) 471-4161
<p>COMMENTS: Agree with the agency that the bill provides intent to appropriate \$10 million a year to the agency. Agree the agency would likely need a new position to manage the requirements of the bill; however, the agency's assumption of a 5% increase in salary for FY2025-26 is not reasonable.</p> <p>Technical Note: The current appropriation language in the bill is not sufficient to create an appropriation. The fiscal impact assessment assumes an accompanying A-bill articulating appropriation in accordance with §49-804.</p>			

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

2024

LB⁽¹⁾ 1252

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Education

Prepared by: ⁽³⁾ Lane Carr Date Prepared: ⁽⁴⁾ 2.7.24 Phone: ⁽⁵⁾ 402.419.3012

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2024-25</u>		<u>FY 2025-26</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>\$10,000,000</u>	<u> </u>	<u>\$10,000,000</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>\$10,000,000</u>	<u> </u>	<u>\$10,000,000</u>	<u> </u>

Explanation of Estimate:

LB1252 amends the Reading Improvement Act to require the NDE to establish a professional learning system for K-3rd grade students. Appropriates \$10 million in 2024-25 and each year thereafter. The NDE would require additional staff to coordinate and facilitate provisions within the bill.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25</u>	<u>2025-26</u>
	<u>24-25</u>	<u>25-26</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Ed Specialist III	<u>1</u>	<u>1</u>	<u>74,784</u>	<u>78,523</u>
Benefits.....			<u>42,489</u>	<u>43,900</u>
Operating.....			<u>21,592</u>	<u>17,527</u>
Travel.....			<u>9,668</u>	<u>9,957</u>
Capital outlay.....				
Aid.....			<u>\$9,851,467</u>	<u>\$9,850,093</u>
Capital improvements.....				
TOTAL.....			<u>\$10,000,000</u>	<u>\$10,000,000</u>

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

2024

LB⁽¹⁾ 1252

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Educational Service Unit Coordinating Council (ESUCC)

Prepared by: ⁽³⁾ Dr. Kraig J. Lofquist Date Prepared: ⁽⁴⁾ 01/30/2024 Phone: ⁽⁵⁾ 402.597.4843

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2024-25</u>		<u>FY 2025-26</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$3,700,000		\$7,622,000	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$3,700,000		\$7,622,000	

Explanation of Estimate:

***The 2024-25 year estimate is considerably less, because it will take time to get the program up and running to full strength.*

This estimate is to have Nebraska's ESUs provide **reading coaches** in conjunction with the NDE. Budgeted figures are based on the number of teachers and students served within each of the ESU areas.

Small ESUs (including ESUs 4, 5, 6, 11, 15, 16 and 17) will employ **14 FTE** staff members, **2 FTE per ESU @ \$100,000/year** for each employee totaling \$1,400,000. ****Note: 7 FTE staff members in 2024-25**

Mid ESUs (including ESUs 1, 2, 7, 8 and 9) will employ **20 FTE** staff members, **4 FTE per ESU @ \$100,000/year** for each employee totaling \$2,000,000. ****Note: 10 FTE staff members in 2024-25**

Large ESUs (including ESUs 3, 10, 13, 18 and 19) will employ **40 FTE** staff members, **8 FTE per ESU @ \$100,000/year** for each employee totaling \$4,000,000. ****Note: 20 FTE staff members in 2024-25**

Total salary and benefits equal \$3,700,000 for the 2024-25 year and \$7,622,000 for the 2025-26 school year, which includes a 3% cost increase.

Travel-\$50,000 year one and \$100,000 for year two.

The breakdown below includes the cost of "benefits" which ARE included in the overall expenditures listed above.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25</u>	<u>2025-26</u>
	<u>24-25</u>	<u>25-26</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Regional Reading Coaches	37	74	\$2,600,000	\$5,335,400
Benefits.....			\$1,100,000	\$2,286,600
Operating.....				
Travel.....			\$50,000	\$100,000
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			\$3,750,000	\$7,722,000