

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>				
	<b>FY 2023-24</b>		<b>FY 2024-25</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS		(\$1,000,000,000)		(\$250,000,000)
CASH FUNDS		\$1,000,000,000		\$250,000,000
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		\$0		\$0

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

LB681 creates the Education Future Fund.

The fund can be utilized for the following:

- To provide foundation aid under the Tax Equity & Educational Opportunities Support Act (TEEOSA)
- To provide additional aid for special education under TEEOSA
- To increase funding for school districts in a way that results in direct property tax relief, which means a dollar-for-dollar replacement of property taxes by a state funding source
- To provide funding for a grant program created by the Legislature to address teacher turnover rates & keep existing teachers in classrooms
- To provide funding for a grant program created by the Legislature to increase career & technical educational classroom opportunities for students. That grant program must provide students with the academic & technical skills, knowledge, & training necessary to succeed in future careers
- To provide funding for a grant program created by the Legislature to provide students the opportunity to have a mentor who will continuously engage with the student directly to aid in the student's professional growth & give ongoing support & encouragement to the student

**EXPENDITURES:**

The State Treasurer will transfer one billion dollars from the General Fund to the Education Future Fund in FY2023-24 on such dates & in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

The State Treasurer will transfer two hundred fifty million dollars from the General Fund to the Education Future Fund in FY2024-25 on such dates & in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

LB681 states the intent to transfer two hundred fifty million dollars from the General Fund to the Education Future Fund in FY2025-26 & each fiscal year thereafter.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>				
LB:	681	AM:	AGENCY/POLT. SUB: Department of Education	
REVIEWED BY:	Gary Bush	DATE:	3/13/23	PHONE: (402) 471-4161
COMMENTS: Agree with the agency on what the provisions of the bill and the impact to the agency and the state. The agency would require cash fund, not General Fund, appropriations.				

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE				
LB:	681	AM:	AGENCY/POLT. SUB: Department of Revenue	
REVIEWED BY:	Gary Bush	DATE:	3/13/23	PHONE: (402) 471-4161
COMMENTS: Agree with the agency on what the provision of the bill and the impact to the agency and the state.				

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE				
LB:	681	AM:	AGENCY/POLT. SUB: Treasurer	
REVIEWED BY:	Gary Bush	DATE:	2/1/23	PHONE: (402) 471-4161
COMMENTS: Agree with the estimate provided by the agency.				

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

**2023**

**LB<sup>(1)</sup> 681**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> NE Dept of Education

Prepared by: <sup>(3)</sup> Bryce Wilson Date Prepared: <sup>(4)</sup> 1/19/23 Phone: <sup>(5)</sup> 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	<u>\$1,000,000,000</u>	<u>                    </u>	<u>\$250,000,000</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>
<b>TOTAL FUNDS</b>	<u><u>\$1,000,000,000</u></u>	<u><u>                    </u></u>	<u><u>\$250,000,000</u></u>	<u><u>                    </u></u>

**Explanation of Estimate:**

LB 681 creates the Education Future Fund to be funded by Legislature with one billion dollars in 2023/24 and two hundred fifty million dollars annually in years thereafter.

The fund is to be used for the following purposes:

- Provide foundation aid
- Provide special education additional funding
- Other school funding that results in direct dollar for dollar replacement of property taxes
- Teacher turnover programs created by the Legislature
- Career and technical education programs as created by the Legislature
- Student mentorship programs as created by the Legislature

LB 681 would require one billion dollars for FY 23/24 and two hundred fifty million dollars for fiscal years thereafter. The details of how to calculate and distribute the special education additional funding are not clear yet and may require additional funding for NDE to administer.

**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.....	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Operating.....	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Travel.....	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Capital outlay.....	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Aid.....	<u>                    </u>	<u>                    </u>	<u>\$1,000,000,000</u>	<u>\$250,000,000</u>
Capital improvements.....	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>TOTAL.....</b>	<u><u>                    </u></u>	<u><u>                    </u></u>	<u><u>\$1,000,000,000</u></u>	<u><u>\$250,000,000</u></u>



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

**2023**

**LB<sup>(1)</sup> 681**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> State Treasurer

Prepared by: <sup>(3)</sup> Jason Walters Date Prepared: <sup>(4)</sup> January 27, 2023 Phone: <sup>(5)</sup> 402-471-2793

**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:

The State Treasurer's Office doesn't expect any fiscal impact from LB 681 to the office.

**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.....	_____	_____	_____	_____