

PREPARED BY: Scott Danigole
 DATE PREPARED: February 01, 2019
 PHONE: 471-0055

LB 639

Revision: 00

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2019-20		FY 2020-21	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	10,000,000		20,000,000	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	10,000,000		20,000,000	

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

LB 639 is the H3Careers Scholarship Act. The purpose of the Act is to provide awards of money to qualified students pursuing careers in a high demand, high wage, and high skill occupation.

Sections 3 through 15 provide definitions for the Act.

The Department of Labor shall administer the H3 Careers Scholarship Act.

Section 25 declares Legislative Intent to appropriate ten million dollars for fiscal year 2019-20, twenty million dollars for fiscal year 2020-21, and thirty million dollars for fiscal year 2021-22 and each fiscal year thereafter.

The Department of Labor estimates the need for 1.0 FTE to administer the provisions of LB 639. The cost of administration is estimated at \$86,500 for fiscal year 2019-20 and \$82,619 for fiscal year 2020-21. These estimates appear to be reasonable.

The bill is silent in regard to the funding source (General, Cash, Other) to be used for the section 25 appropriation. It is assumed that funding would come from the General Fund.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE				
LB:	639 (Revised)	AM:	AGENCY/POLT. SUB: Dept. of Labor	
REVIEWED BY:	Gary Bush	DATE:	01/29/19	PHONE: (402) 471-4161
COMMENTS: Agree with the Dept. of Labor's estimate of impact. The agency's estimate of the costs to administrator the provisions of LB639 appear to be reasonable.				

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

2019

LB⁽¹⁾ 639 REVISED

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Department of Labor

Prepared by: ⁽³⁾ Katie Thurber Date Prepared: ⁽⁴⁾ 1-31-2019 Phone: ⁽⁵⁾ 402-471-9912

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2019-20</u>		<u>FY 2020-21</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>\$10,000,000</u>	<u> </u>	<u>\$20,000,000</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>\$20,000,000</u>	<u> </u>

Explanation of Estimate: Costs to administer this new program would include 1.0 FTE, related benefits and overhead costs totaling \$81,000 in FY19-20 and \$82,619 in FY20-21 with an additional capital outlay for computer equipment of \$5,500 in FY19-20. LB639 also includes an appropriation of \$30,000,000 going forward beginning in FY21-22.

Technical Note: The full expenditure is assumed in our calculations but actual individual grant amounts are unknown.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2019-20</u>	<u>2020-21</u>
	<u>19-20</u>	<u>20-21</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
JT Program Coordinator	<u>1.0</u>	<u>1.0</u>	<u>\$46,183</u>	<u>\$47,106</u>
Total Salaries	<u>1.0</u>	<u>1.0</u>	<u>\$46,183</u>	<u>\$47,106</u>
Benefits.....			<u>\$16,584</u>	<u>\$16,916</u>
Operating.....			<u>\$18,233</u>	<u>\$18,597</u>
Travel.....				
Capital outlay.....			<u>\$5,500</u>	
Aid.....			<u>\$9,913,500</u>	<u>\$19,917,381</u>
Capital improvements.....				
TOTAL.....			<u>\$10,000,000</u>	<u>\$20,000,000</u>