

PREPARED BY: Bill Biven, Jr.
 DATE PREPARED: February 02, 2022
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LB 945

Revision: 02

Revised to reflect Department of Revenue response

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

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

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

LB945 creates the Teach in Nebraska Today Act & allows payments received under the Act to be deducted from an individual's income tax.

The Nebraska Department of Education (NDE) will create & implement the program to attract people who have expressed an interest in teaching & to support the employment of those people by providing student loan repayment assistance for their service as a teacher in a public or private school in Nebraska.

Applications for the program are due no later than April 1, 2023 & then no later than April 1 each year thereafter. Each teacher cannot receive more than \$5,000 per calendar year for no more than five consecutive years or \$25,000 in total reimbursement.

EXPENDITURES (REVISED):

NDE estimates the need for an additional FTE to implement, monitor, and evaluate the program. For FY2022-23, the FTE will have \$5,010 in operating expenses and \$79,237 in salary expenses. For FY2023-24, the FTE will have \$5,010 in operating expenses and salary expenses will increase by 3.64% to \$82,301.

The Nebraska Department of Revenue (DOR) estimates \$107,760 in operating expenses for FY2022-23 to be paid to the Nebraska Office of the Chief Information Officer (OCIO) to add a line to the Schedule I, add a line to NebFile for Individuals, uploading a file from DED, & to add 2 new schedules.

LB945 states the intent to appropriate \$5,000,000 of General Funds for both FY2022-23 & FY2023-24 to only be utilized for reimbursement of student loan repayment. This intent excludes administrative expenses, which will be additional General Fund expenditures.

REVENUE:

The student loan repayment assistance received by the teacher results in a gain in tax revenue, and the deduction results in a loss; creating a new zero effect for the General Fund.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB:	945 (revised)	AM:	AGENCY/POLT. SUB: Nebraska Department of Education
REVIEWED BY:	Gary Bush	DATE:	1/24/22 PHONE: (402) 471-4161
COMMENTS: Agree with the agency that the bill provides appropriations of \$5 million in FY 2022-23 and FY 2023-24. Disagree with the 4% increase in salary in FY 2023-24. Over the past several years the agency has provided salary increases of 1% to 3%.			

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

2022

LB⁽¹⁾ 945 UPDATED

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Education

Prepared by: ⁽³⁾ Lane Carr Date Prepared: ⁽⁴⁾ 1.10.22 Phone: ⁽⁵⁾ 4024193012

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2022-23</u>		<u>FY 2023-24</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>\$5,084,247</u>		<u>\$5,087,311</u>	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u><u>\$5,084,247</u></u>		<u><u>\$5,087,311</u></u>	

Explanation of Estimate:

The bill would require the NDE to create and implement a program to support a new student loan repayment program for teachers. Implementing, monitoring, and evaluating the program would require the NDE to employ a new FTE. The bill does not indicate the source of funding.

The bill intends to appropriate \$5 million in aid.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2022-23</u>	<u>2023-24</u>
	<u>22-23</u>	<u>23-24</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Grant Specialist	<u>1</u>		<u>44,769</u>	<u>46,559</u>
Benefits.....			<u>34,468</u>	<u>35,742</u>
Operating.....			<u>5,010</u>	<u>5,010</u>
Travel.....				
Capital outlay.....				
Aid.....			<u>\$5,000,000</u>	<u>\$5,000,000</u>
Capital improvements.....				
TOTAL.....			<u><u>\$5,084,247</u></u>	<u><u>\$5,087,311</u></u>

