

To incorporate AM 1347

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)

	FY 2025-26		FY 2026-27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
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.

The intent of LB 608 is to expand the Firsts Responder Recruitment and Retention Act (the Act) to add officers, jail employees, youth detention facility workers, and their qualified dependents into the Act's existing tuition waiver program. Also included are former employees of, and dependents of, these categories who became physically or mentally disabled while employed in those capacities. Groups added via AM 904 would only be eligible for 100% waiver when attending the University of Nebraska (NU) and once eligibility criteria have been met. With AM 904, NU would be reimbursed for up to 50% of waivers after July 1, 2026 and after course completion requirements have been verified. The reimbursements are not applicable to first responders covered under the Act prior to LB 608.

AM 1347 delays the effective date of these new waivers from July 1, 2025, to July 1, 2027; harmonizes requirements that must be met to be eligible for the waiver, and provides clarifying language with regards to disabilities.

As such, the fiscal impacts calculated for AM 904 remain the best estimates currently available for the FY27-FY28 biennium, but could be further adjusted based on tuition price changes and other factors. The chart below reflects NU projections at current tuition rates, but excludes any potential (though unintended) impact to the State College system (NSCS). They also exclude the cost of tuition waivers that were already in place at NU and NSCS prior to LB 608, for which no state funding for reimbursement has been appropriated. Impact to community colleges would be minimal.

Impact of Cash Fund Revenue Loss (NU) & General Fund Accruals & Reimbursement (CCPE)								
AM 1347	FY28		FY29		FY30		FY31	
	GF Expend	Cash Rev Loss	GF Expend	Cash Rev Loss	GF Expend	Cash Rev Loss	GF Expend	Cash Rev Loss
Corrections & Dependents	725,608	(1,451,215)	1,289,796	(2,579,593)	1,896,715	(3,793,431)	2,446,158	(4,892,317)
Disabled Correct. & Depend.	31,898	(63,796)	35,269	(70,539)	38,335	(76,670)	41,221	(82,441)
Disabled Firefighters & LEO	24,142	(48,283)	26,430	(52,859)	30,645	(61,289)	34,542	(69,084)
	781,647	(1,563,294.81)	1,351,495	(2,702,991)	1,965,695	(3,931,390)	2,521,921	(5,043,842)
50% Prior Year Reimburse to NU				781,647		1,351,495		1,965,695
Net Impacts	781,647	(1,563,295)	1,351,495	(1,921,343)	1,965,695	(2,579,895)	2,521,921	(3,078,147)
AM 1347	FY28		FY29		FY30		FY31	
	GF Expend	Cash Rev Loss	GF Expend	Cash Rev Loss	GF Expend	Cash Rev Loss	GF Expend	Cash Rev Loss
Revenue Loss offset by	781,647	(1,563,294.81)	1,351,495.36	(2,702,991)	1,965,695	(3,931,390)	2,521,921	(5,043,842)
50% Reimbursement flows				781,647		1,351,495		1,965,695
	781,647	(1,563,295)	1,351,495	(1,921,343)	1,965,695	(2,579,895)	2,521,921	(3,078,147)

Background, processes, and detail on calculations were provided in the fiscal note for AM 904.

If passed, the funding for LB 608 would need to be appropriated during the Legislative session prior to the FY28-FY29 biennium.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 608	AM: 1347	AGENCY/POLT. SUB: Department of Health and Human Services (DHHS)
REVIEWED BY: Ryan Walton	DATE: 5/13/2025	PHONE: (402) 471-4174
COMMENTS: DHHS' assessment of fiscal impact from LB 608, as amended by AM 1347, appears reasonable.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 608	AM: 1347	AGENCY/POLT. SUB: Coordinating Commission for Postsecondary Education
REVIEWED BY: Ryan Walton	DATE: 5/12/2025	PHONE: (402) 471-4174
COMMENTS: The Coordinating Commission for Postsecondary Education's assessment of fiscal impact from LB 608, as amended by AM 1347, appears reasonable.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 608	AM: 1347	AGENCY/POLT. SUB: Nebraska State College System
REVIEWED BY: Ryan Walton	DATE: 5/9/2025	PHONE: (402) 471-4174
COMMENTS: No basis to disagree with the State College System's assessment of fiscal impact from LB 608, as amended by AM1347.		

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

2025

LB⁽¹⁾ 608 AM 1347

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska State College System

Prepared by: ⁽³⁾ Brenda Owen Date Prepared: ⁽⁴⁾ 5-9-25 Phone: ⁽⁵⁾ 471-2507

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2025-26</u>		<u>FY 2026-27</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
CASH FUNDS	<u> </u>	<u> \$0 </u>	<u> </u>	<u> \$0 </u>
FEDERAL FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
OTHER FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u> </u>	<u> \$0 </u>	<u> </u>	<u> \$0 </u>

Explanation of Estimate:

AM 1347 delays certain tuition waivers identified in AM 904 to begin July 1, 2027. This means there is no fiscal impact for FY26 and FY27. Our calculation of the fiscal impact below is still valid beginning FY27 and could be higher for any future tuition increases in FY27 and beyond.

The following paragraphs were provided earlier for AM 904 and are included for reference.

AM 904 creates a category for disabled professional law enforcement officers and professional firefighters, and their dependents, that make them eligible for tuition waivers at the University of Nebraska, state colleges, and community colleges, increasing our financial burden. The definition of ‘disability’ is broad, encompassing anyone who can no longer perform their duties due to injury or illness, regardless of whether it occurred on the job, happened years ago, or is a permanent disability. The fiscal impact for FY26 and FY27 is detailed below, assuming a 5% tuition increase for both years. The impact over four academic years to the state colleges would be approximately \$22,000-25,000.

The amendment also expands tuition waivers to correction officers, jail employees, and youth detention officers, including those that are disabled, and their dependents. Based on the draft language in the amended legislation, the tuition waiver for this group of individuals has been limited to the University of Nebraska. We believe there is some conflicting language within the bill regarding whether the state colleges and community colleges would be included in the tuition waiver for this group of individuals. However, we have decided not to calculate the fiscal impact, in part based on the floor debate when AM 904 was discussed which seemed to affirm the intent to exclude the state colleges and community colleges from the tuition waiver.

Calculations for Estimated Fiscal Impact of LB608 AM 904
Tuition Remission for Disabled Law Enforcement Officers & Professional Firefighters and Their Dependents

Total Medically Disabled Law Enforcement Officers & Professional Firefighters over 22 years	191.43 (1),(2),(3),(4)
Estimate 2% will take courses part-time	3.83

Full Time

Total Professional Firefighters & Law Enforcement Officers	5,801 (1),(2)
Estimated Professional Firefighters & Law Enforcement Officers over 22 years with an estimated 20% turnover rate	19,143
Estimated Professional Firefighters & Law Enforcement Officers disabled over 22 years (*.01)	191.43
Estimated disabled Law Enforcement Officers & Professional Firefighters with children - 40.26%	77.07 (5)
Estimated dependents (*1.94)	149.52 (6)
Estimated % of children ages 12-17 (*.36)	53.83 (7)
Estimate of children aged 16-17 (*.33)	17.76
Portion that will go to college (*65)	12 (8)
Estimated number enrolled at NSCS (*.0625)	0.72 (9)
Potential waiver number	0.72
Estimate of potential dependent waivers	0.72
Full time student credit hours per year	30
Total credit hours waived	22
Projected tuition rate FY26 - 5% tuition increase on \$196	206 (10)
Estimate of total dependent impact in FY26	\$ 4,455

Part Time

Estimate 2% will take courses online	3.83
Estimated number enrolled at NSCS (*.0625)	0.24
Part time student credit hours per year	12
Total credit hours waived	3
Project online tuition rate for FY26 - 5% tuition increase on \$316	332 (10)
Estimate of potential Correctional/Youth Detention Officers impact	\$ 953
FY26 total estimated impact	\$ 5,408
FY27 total estimated impact - increase of 5% tuition	\$ 5,678 (10)

Assumptions

(1) Professional Firefighters https://sfm.nebraska.gov/general-information-0	1,491.0
(2) Law Enforcement Officer as defined by 81-401 https://ncc.nebraska.gov/sites/default/files/doc/2023%20Employment%20Data.pdf	4,310
(3) Number of First Responders who leave profession each year due to illness or injury	0.01

(4) Number of years of first responders considered retroactively	22
(5) Percentage of U.S. adults that have children https://www.statista.com/statistics/242074/percentages-of-us-family-households-with-children-by-type/	40.26%
(6) Average number of children under 18 per family in the U.S. https://www.statista.com/statistics/718084/average-number-of-own-children-per-family/	1.94
(7) Estimated % of children ages 12-17 https://www.childstats.gov/americaschildren/tables/pop1.asp	36%
(8) % of Nebraska High School graduates to go to college https://ccpe.nebraska.gov/college-continuation-rates	65%
(9)% of Nebraska college enrollment at the Nebraska State Colleges https://ccpe.nebraska.gov/enrollment-dashboard	6.25%
(10) Assume a 5% tuition increase for both FY26 and FY27 based on the Governor's budget recommendation	5%

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				

LB ⁽¹⁾0608 Change insurance provisions relating to firefighters and include

AM1347 correctional officers, youth detention officers, and certain children in the

First Responder Recruitment and Retention Act

FISCAL NOTE

State Agency OR Political Subdivision Name:⁽²⁾ University of Nebraska System

Prepared by:⁽³⁾ Anne Barnes Date Prepared:⁽⁴⁾ 05/13/2025 Phone:⁽⁵⁾ (402) 472-2191

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2025 - 26		FY 2026 - 27	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
CASH FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
FEDERAL FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
OTHER FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

Explanation of Estimate:

The proposed amendment to the First Responder Recruitment and Retention Act effectively delays the implementation of tuition waivers for eligible first responders and their dependents until the next biennium. For the current biennium, there will be no fiscal impact on the state budget, as the implementation of the program will not begin until the subsequent biennium. Future costs upon implementation may vary depending on participation levels, tuition price changes, and further projections.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025 - 26</u>	<u>2026 - 27</u>
	<u>25 - 26</u>	<u>26 - 27</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
	<u>0</u>	<u>0</u>		
	<u>0</u>	<u>0</u>		
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				

LB⁽¹⁾ 608 AM1347

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Coordinating Commission for Postsecondary Education

Prepared by: ⁽³⁾ Gary Timm

Date Prepared: ⁽⁴⁾ 5/9/2025

Phone: ⁽⁵⁾ 402.471.0020

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2025-26		FY 2026-27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Explanation of Estimate:

LB 608, AM1347 requires the commission to reimburse the University for 50% of the waivers awarded to correction officers or youth detention officers and their dependents and qualifying children under the First Responder Recruitment and Retention Act beginning July 1, 2027. The commission will defer to the University to estimate the reimbursable waiver amount beginning in 2027-28. The commission can complete the administrative duties with current appropriations with no fiscal impact.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2025-26	2026-27
	25-26	26-27	EXPENDITURES	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				