PREPARED BY: DATE PREPARED: PHONE: Bill Biven, Jr. February 02, 2024 402-471-0054

**LB 997** 

Revision: 00

## **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  |                       |               |              |         |  |  |  |
| CASH FUNDS   | \$2,000,000           |               |              |         |  |  |  |
| FEDERAL FUNDS  |                       |               |              |         |  |  |  |
| OTHER FUNDS  |                       | (\$2,000,000) |              |         |  |  |  |
| TOTAL FUNDS  | \$2,000,000           | (\$2,000,000) |              |         |  |  |  |

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

LB997 amends §84-612 & creates the Child Care Wages Fund.

The fund will be used to contract with a statewide organization for the purpose of state aid.

The Nebraska Department of Education (NDE) will establish procedures & criteria for purposes of distributions from the Child Care Wages Fund to the Child Care WAGE\$ Nebraska program to be used for providing salary supplements to child care & early education providers working with children five years of age or younger in child care programs licensed pursuant to §71-1908 to 71-1923. The supplements be expended by June 30, 2027.

The bill requires a one-time transfer of \$2,000,000 from the Cash Reserve Fund to the Child Care Wages Fund on July 1, 2024.

| ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE |     |     |                                   |  |  |  |
|---|-----|-----|-----------------------------------|--|--|--|
| LB:   | 997 | AM: | AGENCY/POLT. SUB: State Treasurer |  |  |  |
| REVIEWED BY: Gary Bush DATE: 1/17/24 PHONE: (402) 471-4161                            |     |     |                                   |  |  |  |
| COMMENTS: Agree with the agency's estimate of no fiscal impact to the agency.         |     |     |                                   |  |  |  |

| A    | ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE |           |                   |               |                       |  |
|------|---|-----------|-------------------|---------------|-----------------------|--|
| LB:  | 997   | AM:       | AGENCY/POLT. SUB: | Nebraska Depa | artment of Education  |  |
| REVI | EWED BY:  | Gary Bush | DATE:             | 2/2/24        | PHONE: (402) 471-4161 |  |

COMMENTS: Agree with the agency that the bill would transfer \$2 million from the cash reserve to a new cash fund. The agency would use this new cash fund to pay state aid to provide salary supplements for child care and early education providers.

I disagree that all of funding provided would be used in the first year. Provisions of the bill indicate that the supplements would continue until June 20, 2027. The program is not terminated however, so new funding would be required at that time.

| Α.  | DMINISTRA | TIVE SERVICES | STATE BUDGET DIVISION | : REVIEW OF AG  | SENCY & POLT. SUB. RESPONSE |  |
|---|-----------|---------------|-----------------------|-----------------|-----------------------------|--|
| LB:   | 997       | AM:           | AGENCY/POLT.          | SUB: Nebraska [ | Department of Revenue       |  |
| REVI  | EWED BY:  | Gary Bush     | DATE:                 | 2/2/24          | PHONE: (402) 471-4161       |  |
| COMMENTS: Agree with the agency's estimate of no fiscal impact to the agency. |           |               |                       |                 |                             |  |

| ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE |   |  |  |  |  |  |
|---|---|--|--|--|--|--|
| LB: 997 AM: AGENCY/POLT. SUB: Department of Health and Human Services                 |   |  |  |  |  |  |
| REVII   | REVIEWED BY: Gary Bush DATE: 2/1/24 PHONE: (402) 471-4161 |  |  |  |  |  |
| COMMENTS: Agree with the agency's estimate of no fiscal impact to the agency.         |   |  |  |  |  |  |

## LB<sub>(1)</sub> <u>997</u> FISCAL NOTE 2024

|   | ESTIMATE DROVID                  | ED BY STATE AGENCY OR F  | DOLITICAL S         | NI IDDIVICIONI |              |  |
|---|----------------------------------|--------------------------|---------------------|----------------|--------------|--|
| State Agency or Political Su                        |                                  |                          |                     | BOBDIVISION    |              |  |
| Prepared by: (3) John Meals Date Prepared 1-30-2024 |                                  |                          | Phone: (5) 471-6719 |                |              |  |
| FY 2024-2025  |                                  | 2025                     |                     | FY 2025-2026   |              |  |
|   | EXPENDITURES                     | REVENUE                  | EXPENDITURES        |                | REVENUE      |  |
| GENERAL FUNDS                                       | LAI ENDITORES                    | TLVLINOL                 |                     | NDITORES       | NEVENOL      |  |
| <u> </u>  |                                  |                          |                     |                |              |  |
| CASH FUNDS  |                                  |                          |                     |                |              |  |
| FEDERAL FUNDS                                       |                                  |                          |                     |                |              |  |
| OTHER FUNDS   |                                  |                          |                     |                |              |  |
| TOTAL FUNDS   | \$0                              | \$0                      |                     | \$0            | \$0          |  |
| =   |                                  |                          |                     |                |              |  |
| Return by date specified or 72 h                    | nours prior to public hearing, w | vhichever is earlier.    |                     |                |              |  |
| Explanation of Estima                               |                                  |                          |                     |                |              |  |
| •   |                                  |                          |                     |                |              |  |
| There is no fiscal impa                             | act to the Department            | of Health and Human      | Services.           |                |              |  |
| ·   | ·                                |                          |                     |                |              |  |
|   | MA                               | JOR OBJECTS OF EXPENDITU | JRE                 |                |              |  |
| PERSONAL SERVICES:                                  |                                  | NUMBER OF P              | POSITIONS           | 2024-2025      | 2025-2026    |  |
| F   | POSITION TITLE                   | 24-25                    | 25-26               | EXPENDITURES   | EXPENDITURES |  |
|   |                                  |                          |                     |                |              |  |
|   |                                  |                          |                     |                |              |  |
|   |                                  |                          |                     |                |              |  |
|   |                                  |                          |                     |                |              |  |
|   |                                  |                          |                     |                |              |  |
| Benefits  |                                  |                          |                     |                |              |  |
| Operating   |                                  |                          |                     |                |              |  |
| Travel  |                                  |                          |                     |                |              |  |
|   |                                  |                          |                     |                |              |  |
|   |                                  |                          | _                   |                |              |  |
| Capital Outlay                                      |                                  |                          |                     |                |              |  |
| Capital Outlay                                      |                                  |                          |                     |                |              |  |
| Capital Outlay  Aid  Capital Improvements           |                                  |                          |                     | \$0            | \$0          |  |

| State Agency Estimate |                |   |  |  |  |  |
|-----------------------|----------------|---|--|--|--|--|
| f Revenue             |                |   |  | Date Due LFO:  |  |  |
|                       | Date Prepared: | 01/31/2024                              |  | Phone: 471-5896  |  |  |
| FY 2024               | <u>4-2025</u>  | FY 2025                                 | 5-202 <u>6</u>   | FY 2020  | <u>5-2027</u>  |  |
| Expenditures          | Revenue        | Expenditures                            | Revenue  | Expenditures   | Revenue  |  |
|                       | \$ 0           |   | \$ 0   |  | \$ 0   |  |
|                       |                |   |  |  |  |  |
|                       |                |   |  |  |  |  |
|                       |                |   |  |  |  |  |
|                       | \$ 0           |   | \$ 0   |  | \$ 0   |  |
|                       |                | FY 2024-2025 Expenditures Revenue  \$ 0 | Date Prepared: 01/31/2024   FY 2024-2025   FY 2025   Expenditures   Revenue   Expenditures   \$0 | Date Prepared: 01/31/2024   FY 2024-2025   FY 2025-2026   Expenditures   Revenue   \$0   \$0   \$0 | Date Due LFO:   Date Prepared:   01/31/2024   Phone: 471-5896     FY 2024-2025   FY 2025-2026   FY 2026     Expenditures   Revenue   Expenditures   Revenue   Expenditures     \$0 |  |

LB 997 creates the Child Care Wages Fund to be administered by the Department of Education (DOE) and transfers \$2 million from the Cash Reserve Fund to the new fund on July 1, 2024, or as soon thereafter as administratively possible.

DOE will establish criteria so that distributions from the Child Care Wages Fund to the Child Care WAGE\$ Nebraska program are to be used for providing salary supplements to childcare and early education providers working with children five years of age or younger in licensed childcare programs.

LB 997 bill contains an emergency clause and becomes law upon enactment.

It is estimated that LB 997 will have no impact on General Fund revenues.

It is estimated that there will be no cost to the Department of Revenue to implement this bill.

| Major Objects of Expenditure |                       |                       |                       |  |  |  |  |  |
|------------------------------|-----------------------|-----------------------|-----------------------|--|--|--|--|--|
| Class Code                   | 24-25<br>Expenditures | 25-26<br>Expenditures | 26-27<br>Expenditures |  |  |  |  |  |
|                              |                       |                       |                       |  |  |  |  |  |
|                              |                       |                       |                       |  |  |  |  |  |
| Benefits                     |                       |                       |                       |  |  |  |  |  |
|                              | Operating Costs.      |                       |                       |  |  |  |  |  |
| Travel                       |                       |                       |                       |  |  |  |  |  |
| Capital Improvemer           | Capital Outlay        |                       |                       |  |  |  |  |  |
| Total                        |                       |                       | •••••                 |  |  |  |  |  |

| <b>LB</b> <sup>(1)</sup> 997 |                            |                         |                            |                |                         | FISCAL NOTE                  |
|------------------------------|----------------------------|-------------------------|----------------------------|----------------|-------------------------|------------------------------|
| State Agency OR Pol          | itical Subdivision Name: ( | State                   | Treasurer                  |                |                         |                              |
| Prepared by: (3)             | Jason Walters              | Dat                     | e Prepared: <sup>(4)</sup> | Jan. 9, 2024   | Phone: (5)              | 402-471-2793                 |
|                              | ESTIMATE PRO               | VIDED BY                | STATE AGEN                 | NCY OR POLITIC | CAL SUBDIVIS            | SION                         |
|                              |                            |                         |                            |                |                         |                              |
|                              | <u>E</u><br>EXPENDITUR     | <u>'Y 2024-25</u><br>ES | REVENUE                    | EXPENDI        | <u>FY 2025</u><br>TURES | <u>-26</u><br><u>REVENUE</u> |
| GENERAL FUNDS                | •                          | <u> </u>                | <u> </u>                   |                | <u> </u>                | <u> </u>                     |
|                              |                            | <del>_</del> _          |                            | <del>-</del>   |                         |                              |
| CASH FUNDS                   |                            |                         |                            | <u> </u>       |                         | ·                            |
| FEDERAL FUNDS                |                            |                         |                            | _              |                         |                              |
| OTHER FUNDS                  |                            |                         |                            |                |                         |                              |
| TOTAL FUNDS                  |                            |                         |                            |                |                         |                              |
| <b>Explanation of Esti</b>   | imate:                     |                         |                            |                |                         |                              |
| _                            | ırer's Office doesn't e    |                         |                            |                |                         |                              |
|                              |                            |                         |                            |                |                         |                              |
| Personal Services:           | BREAKDO                    | OWN BY M                | AJOR OBJECT                | TS OF EXPENDIT | <u>rure</u>             |                              |
| 1 ersonar services.          |                            | NUMBER                  | OF POSITION                | S 2024-        | -25                     | 2025-26                      |
| POSITIO                      | ON TITLE                   | <u>24-25</u>            | <u>25-26</u>               | <u>EXPENDI</u> | <u>TURES</u>            | <b>EXPENDITURES</b>          |
|                              |                            |                         | _                          | _              |                         |                              |
| D C.                         |                            | -                       | _                          | _              |                         |                              |
|                              |                            |                         |                            | -              |                         |                              |
|                              |                            |                         |                            |                |                         |                              |
|                              |                            |                         |                            |                |                         |                              |
|                              |                            |                         |                            |                |                         |                              |
|                              | nts                        |                         |                            |                |                         |                              |
|                              |                            |                         |                            |                |                         |                              |

| <b>LB</b> <sup>(1)</sup> 997                |   |                        | FISCAL NOTE             |
|---|---|------------------------|-------------------------|
| State Agency OR Political Subdivision Name: | Education                                     |                        |                         |
| Prepared by: (3) Lane Carr                  | Date Prepared: (4)                            | 1.30.24 Phone: (5      | 402.419.3012            |
| ESTIMATE PRO                                | VIDED BY STATE AGENC                          | Y OR POLITICAL SUBDIVI | SION                    |
| ·   | FY 2024-25                                    | FY 20                  |                         |
| EXPENDITUR                                  | <u>REVENUE</u>                                | <b>EXPENDITURES</b>    | <b>REVENUE</b>          |
| GENERAL FUNDS                               |   |                        |                         |
| CASH FUNDS \$2 million                      |   |                        |                         |
| FEDERAL FUNDS                               |   |                        |                         |
| OTHER FUNDS                                 |   |                        |                         |
| TOTAL FUNDS \$2 million                     |   |                        |                         |
| <b>Explanation of Estimate:</b>             |   |                        |                         |
| BREAKDO                                     | WN BY MAJOR OBJECTS                           | OF EXPENDITURE         |                         |
| Personal Services:                          |   |                        |                         |
| POSITION TITLE                              | NUMBER OF POSITIONS <u>24-25</u> <u>25-26</u> | 2024-25 EXPENDITURES   | 2025-26<br>EXPENDITURES |
| Benefits                                    |   |                        |                         |
| Operating                                   |   |                        |                         |
| Travel                                      |   |                        |                         |
| Capital outlay                              |   |                        |                         |
| Aid   |   | \$2 million            |                         |
| Capital improvements                        |   |                        |                         |
| TOTAL                                       |   | \$2 million            |                         |