

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	\$7,061,982		\$7,182,696	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$7,061,982		\$7,182,696	

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

LB 307 appropriates General Funds to the Nebraska State College System (NSCS) and to the University of Nebraska Board of Regents (NU) to cover tuition waivers pursuant to the First Responders Recruitment and Retention Act, the In the Line of Duty Dependent Education Act, and to veterans and active selected reserve members as defined in §80-411 and §80-901.

The First Responders Act originated in 2016 through LB 906, and was later expanded with LB 727 (2023) and LB 1317 (2024). The In the Line of Duty Act originated in 2009 with LB 206 and has also been periodically expanded. Waivers for veterans and active selective reserve members have also been in place for some time. No prior legislation has included an appropriation for these waivers.

According to NSCS, their fiscal note reflects the value of current waivers for these groups, and factors in recent tuition increases and enrollment growth to arrive at cost projections of \$525,981 for FY26 and \$567,191 for FY27. The waivers represent reductions to their Cash revenues, which would be offset through a General Fund appropriation.

Likewise, NU factored in trending enrollment growth and recent tuition increases to existing waivers to arrive at projected waiver costs of \$6,536,001 for FY26 and \$6,615,505 for FY27.

The Fiscal Office has no basis to disagree with these estimates.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 307	AM:	AGENCY/POLT. SUB: Nebraska State College System	
REVIEWED BY: Kimberly Burns		DATE: 02/07/2025	PHONE: (402) 471-4171
COMMENTS: The Nebraska State College System's estimate of fiscal impact from LB 307 appears reasonable based on the assumptions provided.			

State Agency OR Political Subdivision Name:⁽²⁾ University of Nebraska System
Prepared by:⁽³⁾ Anne Barnes Date Prepared:⁽⁴⁾ 01/29/2025 Phone:⁽⁵⁾ (402) 559-6300

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2025 - 26		FY 2026 - 27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	<u>6,536,000.73</u>	<u>0.00</u>	<u>6,615,504.73</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>6,536,000.73</u>	<u>0.00</u>	<u>6,615,504.73</u>	<u>0.00</u>

Explanation of Estimate:

NU granted \$6,252,894 for legislatively mandated remissions in AY 2023-2024. From Fall 2023 to Fall 2024, NU undergraduate enrollment increased 0.08%. From AY 2023-2024 to AY 2024-2025, the undergraduate tuition rate increased an average of approximately 3.3% across the NU system.

Based on these figures, these estimates assume an annual 0.8% growth in undergraduate enrollment with a fixed percentage of undergraduate students continuing to receive these remissions.

	Remissions Amount	0.8% Enrollment Increase	3.3% Tuition Rate Increase
AY 2023-2024	\$6,252,894.00	\$6,302,917.15	\$6,510,913.42
AY 2024-2025 (Estimate)	\$6,510,913.42	\$6,563,000.73	
AY 2025-2026 (Estimate)	\$6,563,000.73	\$6,615,504.73	
AY 2026-2027 (Estimate)	\$6,615,504.73		

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2025 - 26	2026 - 27
	25 - 26	26 - 27	EXPENDITURES	EXPENDITURES
	<u>0</u>	<u>0</u>		
	<u>0</u>	<u>0</u>		
Benefits.....				
Operating.....			<u>6,536,000.73</u>	<u>6,615,504.73</u>
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			<u>6,536,000.73</u>	<u>6,615,504.73</u>

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

Prepared by: ⁽³⁾ Brenda Owen

Date Prepared: ⁽⁴⁾ 1-22-2025

Phone: ⁽⁵⁾ 471-2507

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2025-26		FY 2026-27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	\$525,981		\$567,191	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$525,981		\$567,191	

Explanation of Estimate:

The dollar amount for the Dependents of Veterans, First Responder, In Line of Duty, and Active Select Reserve waivers has continued to increase each year for the last five years (AY20-24), primarily due to expansion of who is eligible for the programs.

Based on projected enrollment growth for FY25-26 and FY26-27, and factoring in the actual tuition increase of 2.1% for FY25, plus a projected tuition increase of 5% for both fiscal years of the biennium based on the Governor’s budget recommendation, FY26 waivers would be \$525,981 and FY27 waivers would be \$567,191.

This does not consider LB608 which expands who is eligible for the waiver within the First Responder Recruitment and Retention Act.

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.....			\$525,981	\$567,191
Capital improvements.....				
TOTAL.....			\$525,981	\$567,191