

PREPARED BY: Suzanne Houlden
DATE PREPARED: February 20, 2025
PHONE: 402-471-0057

LB 627

Revision: 00

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	See below		See below	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

LB 627, if passed, would direct the University of Nebraska (NU) Board of Regents to oversee the design, construction, and financing of student residential facilities for nursing and allied health students in Norfolk, NE. The bill outlines a twenty-year state funding commitment of \$1,150,000 annually, allowing for long-term financing agreements.

The total FY26-FY27 biennium cost would be \$2,300,000. Of the \$1,150,000 annual appropriation, \$250,000 would be allocated for educational technology, intended to support instructional resources at the Norfolk facilities. The total cost over the twenty-year period would be \$23,000,000. The Board of Regents would be responsible for contract approvals, payment structuring, and ensuring compliance with the bill's financial provisions.

Technical note: historically, residential facilities for NU and the State College system have been funded through student housing fees. The University notes that it would not experience changes in revenue as a result of this bill, meaning that student fees would not be collected or applied for construction of the proposed Norfolk facilities.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 627	AM:	AGENCY/POLT. SUB: Coordinating Commission for Postsecondary Education	
REVIEWED BY: Kimberly Burns	DATE: 02/07/2025	PHONE: (402) 471-4171	
COMMENTS: Concur with the Coordinating Commission for Postsecondary Education's assessment of no fiscal impact to the agency from LB 627.			

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

Prepared by:⁽³⁾ Anne Barnes

Date Prepared:⁽⁴⁾ 02/03/2025

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>1,150,000.00</u>	<u>0.00</u>	<u>1,150,000.00</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>1,150,000.00</u>	<u>0.00</u>	<u>1,150,000.00</u>	<u>0.00</u>

Explanation of Estimate:

If LB627 were to pass, it would direct the Board of Regents to oversee the design, construction, and financing of student residential facilities for nursing and allied health students in Norfolk.

The bill outlines a 20-year state funding commitment of \$1,150,000 annually, allowing for long-term financing agreements. The Board of Regents would be responsible for contract approvals, payment structuring, and ensuring compliance with the bill's financial provisions. The University would manage these financial arrangements within the appropriated funding structure, with ownership of the facilities reverting to the University upon completion of all obligations. Additionally, the bill allocates \$250,000 for educational technology, intended to support instructional resources at the Norfolk facilities.

The University would not experience changes in revenue as a result of this bill. The fiscal impact is limited to state-funded capital expenditures, with no anticipated ongoing personnel or operational costs beyond construction and financing administration.

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.....				
Travel.....				
Capital outlay.....			<u>1,150,000.00</u>	<u>1,150,000.00</u>
Aid.....				
Capital improvements.....				
TOTAL.....			<u>1,150,000.00</u>	<u>1,150,000.00</u>

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

Prepared by: ⁽³⁾ Gary Timm

Date Prepared: ⁽⁴⁾ 1/27/2025

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:

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.....				