PREPARED BY: DATE PREPARED: PHONE: Bill Biven, Jr. March 10, 2023 402-471-0054

LB 681

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)								
	FY 2023-24 FY 2024-25							
	EXPENDITURES	EXPENDITURES REVENUE EXPENDITURES						
GENERAL FUNDS		(\$1,000,000,000)		(\$250,000,000)				
CASH FUNDS		\$1,000,000,000		\$250,000,000				
FEDERAL FUNDS								
OTHER FUNDS								
TOTAL FUNDS		\$0		\$0				

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

LB681 creates the Education Future Fund.

The fund can be utilized for the following:

- To provide foundation aid under the Tax Equity & Educational9Opportunities Support Act (TEEOSA)
- To provide additional aid for special education under TEEOSA
- To increase funding for school districts in a way that results in direct property tax relief, which means a dollar-for-dollar replacement of property taxes by a state funding source
- To provide funding for a grant program created by the Legislature to address teacher turnover rates & keep existing teachers in classrooms
- To provide funding for a grant program created by the Legislature to increase career & technical educational classroom
 opportunities for students. That grant program must provide students with the academic & technical skills, knowledge, &
 training necessary to succeed in future careers
- To provide funding for a grant program created by the Legislature to provide students the opportunity to have a mentor who will continuously engage with the student directly to aid in the student's professional growth & give ongoing support & encouragement to the student

EXPENDITURES:

The State Treasurer will transfer one billion dollars from the General Fund to the Education Future Fund in FY2023-24 on such dates & in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

The State Treasurer will transfer two hundred fifty million dollars from the General Fund to the Education Future Fund in FY2024-25 on such dates & in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

LB681 states the intent to transfer two hundred fifty million dollars from the General Fund to the Education Future Fund in FY2025-26 & each fiscal year thereafter.

	ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE						
LB:	681	AM:	AGENCY/POLT. SUB: Depa	rtment of Educatio	on		
REVIEWED BY: Gary Bush DATE: 3/13/23 PHONE: (402) 471-4161					PHONE: (402) 471-4161		
	COMMENTS: Agree with the agency on what the provisions of the bill and the impact to the agency and the state. The agency would require cash fund, not General Fund, appropriations.						

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE						
LB: 681 AM: AGENCY/POLT. SUB: Department of Revenue						
REVI	EWED BY:	Gary Bush	DATE:	3/13/23	PHONE: (402) 471-4161	
COMMENTS: Agree with the agency on what the provision of the bill and the impact to the agency and the state.						

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE						
LB:	681	AM:	AGENCY/POLT. SUB: Treas	urer		
REVI	EWED BY:	Gary Bush	DATE:	2/1/23	PHONE: (402) 471-4161	
COMMENTS: Agree with the estimate provided by the agency.						

Please complete <u>ALL</u> (5) blanks in the first thr	ree lines.		2023				
LB ⁽¹⁾ 681			FISCAL NOTE				
State Agency OR Political Subdivision Name: (2)	NE Dept of Educa	tion					
Prepared by: (3) Bryce Wilson	Date Prepared: (4)	1/19/23 Phon	ne: (5) 402-471-4320				
ESTIMATE PROVI	IDED BY STATE AGEN	ICY OR POLITICAL SUBI	DIVISION				
<u>FY</u> EXPENDITURES	2023-24 <u>REVENUE</u>	<u>FY</u> EXPENDITURES	<u>2024-25</u> <u>REVENUE</u>				
GENERAL FUNDS \$1,000,000,000		\$250,000,000					
CASH FUNDS							
FEDERAL FUNDS							
OTHER FUNDS							
TOTAL FUNDS \$1,000,000,000		\$250,000,000					
Explanation of Estimate:							
LB 681 creates the Education Future Fund to be funded by Legislature with one billion dollars in 2023/24 and two hundred fifty million dollars annually in years thereafter. The fund is to be used for the following purposes: - Provide foundation aid - Provide special education additional funding - Other school funding that results in direct dollar for dollar replacement of property taxes - Teacher turnover programs created by the Legislature - Career and technical education programs as created by the Legislature - Student mentorship programs as created by the Legislature							
LB 681 would require one billion dollars f thereafter. The details of how to calculate and may require additional funding for NI	and distribute the spec	,	•				

	NUMBER OF	FPOSITIONS	2023-24	2024-25	
POSITION TITLE	<u>23-24</u> <u>24-25</u>		EXPENDITURES	EXPENDITURES	
				; 	
Benefits					
Operating					
Гravel					
Capital outlay					
Aid			\$1,000,000,000	\$250,000,000	
Capital improvements					
TOTAL			\$1,000,000,000	\$250,000,000	

LB 681 Fiscal Note 2023

State Agency Estimate						
State Agency Name: Departmen	nt of Revenue				Date Due LFO:	
Approved by: Glen White Date Prepare		Date Prepared:	LEAVE BLANK Phone: 471-5896			
F		023-2024	FY 2024-2025		FY 2025-2026	
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue
General Funds		\$(1,000,000,000)		\$(250,000,000)		\$(250,000,000)
Cash Funds		\$1,000,000,000		\$250,000,000		\$250,000,000
Federal Funds						
Other Funds						
Total Funds		\$ 0		\$ 0		\$ 0
	·			•	- · · · · · · · · · · · · · · · · · · ·	•

LB 681 creates the Education Future Fund, administered by the Department of Education.

The State Treasurer must transfer the following amounts from the General Fund to the Education Future Fund, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services:

- \$1 billion in fiscal year 2023-24; and
- \$250 million in fiscal year 2024-25.
- It is the intent of the Legislature that \$250 million be transferred in fiscal year 2025-26 and each fiscal year thereafter.

LB 681 will have the following impact to the General Fund revenues and Education Future Fund:

	Tr	ansfer from General		
	I	Funds to Education	Edu	acation Future Fund
		Future Fund		
FY 2023-24	\$	(1,000,000,000)	\$	1,000,000,000
FY 2024-25	\$	(250,000,000)	\$	250,000,000
FY 2025-26	\$	(250,000,000)	\$	250,000,000
FY 2026-27	\$	(250,000,000)	\$	250,000,000

It is estimated that there will be no cost for the Department of Revenue to implement LB 681.

Major Objects of Expenditure								
Class Code	Classification Title	23-24 <u>FTE</u>	24-25 <u>FTE</u>	25-26 <u>FTE</u>	23-24 Expenditures	24-25 Expenditures	25-26 Expenditures	
Benefits								
Operating Costs								
Travel								
Capital Improvements								

LB ⁽¹⁾ 681					FISCAL NOTE					
State Agency OR Political Subdivision 1	Name: (2) Sta	ate Treasurer								
Prepared by: (3) Jason Walters		Date Prepared: ⁽⁴⁾	January 27, 2023	Phone: (5)	402-471-2793					
ESTIMATI	E PROVIDED	BY STATE AGEN	ICY OR POLITICAL	L SUBDIVIS	ION					
EXPEND	$rac{ ext{FY 2023-24}}{ ext{EXPENDITURES}} ext{REVENUE} ext{EXPENDITURES} ext{REVENUE}$									
GENERAL FUNDS										
CASH FUNDS										
FEDERAL FUNDS			-							
OTHER FUNDS			-							
TOTAL FUNDS										
Explanation of Estimate:										
Explanation of Estimate.										
<u>BRE</u> Personal Services:	CAKDOWN BY	Y MAJOR OBJECT	S OF EXPENDITU	<u>RE</u>						
POSITION TITLE	NUMB 23-2	ER OF POSITIONS 4 24-25	S 2023-24 EXPENDITU		2024-25 EXPENDITURES					
Benefits										
Operating			-							
Travel										
Capital outlay	• • • • • • • • • • • • • • • • • • • •									
Aid										
Capital improvements										
TOTAL										