PREPARED BY: DATE PREPARED: PHONE:

Bill Biven, Jr. February 23, 2022 402-471-0054

**LB 1220** 

Revision: 00

## **FISCAL NOTE**

**LEGISLATIVE FISCAL ANALYST ESTIMATE** 

ESTIMATE OF FISCAL IMPACT - STATE AGENCIES (See narrative for political subdivision estimates)							
	FY 202	22-23	FY 2023-24				
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE			
GENERAL FUNDS	See Below	See Below					
CASH FUNDS							
FEDERAL FUNDS	See Below						
OTHER FUNDS							
TOTAL FUNDS	See Below	See Below					

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

LB1220 states the intent to appropriate \$1,000,000 of federal funds from the federal American Rescue Plan Act (ARPA) for FY2022-23 to the Nebraska Department of Education (NDE) & carries the emergency clause.

NDE will provide premium payments of \$10,000 to 100 teachers that are working in an underserved community, as determined by NDE.

## **EXPENDITURES:**

A school district's state aid could be affected by these payments due to employee salaries being a factor in the Nebraska Tax Equity & Educational Opportunities Support Act (TEEOSA) formula. Amounts cannot be determined as this time.

The Nebraska Department of Revenue (DOR) estimates minimal costs to meet the provisions & those costs can be absorbed by the agency.

## **REVENUE:**

DOR estimates an increase of \$50,000 in General Fund revenue in FY 2022-23 due to the increase of taxable income to the employee's salary.

	ADMINISTRA	TIVE SERVICES	S STATE BUDGET DIVISION: RE	VIEW OF AG	ENCY & POLT. SUB. RESPONSE
LB:	1220	AM:	AGENCY/POLT. SUB:	Nebraska De	epartment of Education
RE	VIEWED BY:	Gary Bush	DATE:	2/9/22	PHONE: (402) 471-4161

COMMENTS: Agree with the agency that the bill would provide Federal Funds to the agency.

The maximum funding available under the federal Coronavirus State Fiscal Recovery Fund is \$1.04 billion, of which only \$520 million is currently available. Appropriation of these funds must be balanced in aggregate in order to avoid over obligation.

**Technical Note:** The language in section 1 of the bill does not provide the level of detail necessary to enact the appropriations intended.

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

LB: 1220 AM: AGENCY/POLT. SUB: Nebraska Department of Revenue

REVIEWED BY: Gary Bush DATE: 2/24/22 PHONE: (402) 471-4161

COMMENTS: No basis to disagree with the estimate provide. Agree with agency that other lottery beneficiaries would be negatively impact by the provisions of the bill.

The maximum funding available under the federal Coronavirus State Fiscal Recovery Fund is \$1.04 billion, of which only \$520 million is currently available. Appropriation of these funds must be balanced in aggregate in order to avoid over obligation.

**Technical Note:** The language in section 1 of the bill does not provide the level of detail necessary to enact the appropriations intended.

Capital improvements......

TOTAL.....

<b>LB</b> <sup>(1)</sup> 1220				FISCAL NOTE
State Agency OR Political S	Subdivision Name: (2)	ducation		
Prepared by: (3) Lane C	Carr	Date Prepared: (4) 1	.10.22 Phone: (5	4024193012
EST	IMATE PROVIDED BY	STATE AGENCY O	R POLITICAL SUBDIVISI	<u>ON</u>
	FY 202	<del></del>	·	923-24 PEVENUE
	<b>EXPENDITURES</b>	REVENUE	<b>EXPENDITURES</b>	<u>REVENUE</u>
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS	\$1,000,000			
OTHER FUNDS				
TOTAL FUNDS	\$1,000,000			
<b>Explanation of Estimate:</b>				
The bill would require th communities. The bill int			510,000 to teachers workin al ARP funds.	g in underserved
Personal Services:	BREAKDOWN BY	MAJOR OBJECTS (	OF EXPENDITURE	
POSITION TIT		BER OF POSITIONS 23 23-24	2022-23 EXPENDITURES	2023-24 EXPENDITURES
Benefits				
Operating				
Travel				
Capital outlay				
Aid			\$1,000,000	

\$1,000,000

LB 1220 Fiscal Note 2022

State Agency Estimate							
State Agency Name: Department of Revenue					Date Due LFO:		
Approved by: Tony Fulton Date Pr		Date Prepared:	2/23/2022		Phone: 471-5896		
	FY 2022-2023		FY 2023-2024		FY 2024-2025		
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue	
General Funds		\$50,000					
Cash Funds	\$1,000,000	\$1,000,000					
Federal Funds							
Other Funds	\$1,000,000						
Total Funds	\$2,000,000	\$1,050,000					

LB 1220 would appropriate \$1 million to the Nebraska Department of Education (DOE) to provide premium payments fo \$10,000 each to teachers working in underserved communities, as determined by DOE. The \$1 million is to come from federal ARPA funds. LB 1220 carries the emergency clause.

Department of Revenue (DOR) estimates that the taxable income generated from the reimbursements will result in a one-time increase in General Fund revenue for Fiscal Year 2022-2023 of approximately \$50,000.

LB 1220 is operative 3 months after adjournment.

DOR estimates minimal cost for implementation.

Major Objects of Expenditure								
Class Code	Classification Title	22-23 <u>FTE</u>	23-24 <u>FTE</u>	24-25 <u>FTE</u>	22-23 Expenditures	23-24 Expenditures	24-25 Expenditures	
Danafita								
Operating Costs								
Capital Outlay								
	s							