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PREPARED BY: Liz Hruska
DATE PREPARED: January 23, 2012
PHONE: 471-0053

LB 866

Revision: 01

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

Revised to include an agency response

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2012-13		FY 2013-14	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	217,500		217,500	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	217,500		217,500	

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

This bill would prohibit employment discrimination based on the status of being unemployed. The Equal Opportunity Commission would investigate and make determinations. Civil penalties can be imposed on employers found in violation.

The Equal Opportunity Commission estimates that their workload would increase by 80 to 100 cases a year. An additional investigator is needed at \$58,000 a year. It is assumed about one-quarter of the cases would have a hearing. The additional costs for the hearing would be \$117,500 annually. Other operating costs would be \$1,000.

The Attorney General's Office would be charged with enforcement. They estimate a part-time Assistant Attorney General would be needed. The cost would be \$41,000 a year.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Joe Wilcox	1/11/12	PHONE 471-2526
COMMENTS			
EQUAL OPPORTUNITY COMMISSION – Agency cost estimates based on an estimated 100 charges per year, with one-fourth of these going to hearing (25 total). No basis to determine whether 100 filings or 25 hearings is reasonable. Costs include one additional FTE plus benefits and hearing costs. The bill identifies that revenues from fines shall be distributed in accordance with the Constitution of Nebraska, Article VII, Section 5, which would place such fines to the support of schools, thus revenue would not accrue to the agency.			

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 LEGISLATIVE FISCAL

LB⁽¹⁾ 866 FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Department of Labor

Prepared by: ⁽³⁾ Gregg R. Thuman Date Prepared: ⁽⁴⁾ 1-20-2012 Phone: ⁽⁵⁾ 402-471-0829

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2012-2013		FY 2013-2014	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

LB 866 should have no fiscal impact on the Nebraska Department of Labor.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2012-2013 EXPENDITURES	2013-2014 EXPENDITURES
	12-13	13-14		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	<u>0</u>	<u>0</u>

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LB⁽¹⁾ 866 FISCAL NOTE

LEGISLATIVE FISCAL

State Agency OR Political Subdivision Name: (2)

Equal Opportunity Commission

Prepared by: (3) Kathleen Bogenreif

Date Prepared: (4) 1-10-12

Phone: (5) 402-471-4061

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2012-2013		FY 2013-2014	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	177,715	25,000	177,766	25,000
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	177,716	25,000	177,766	25,000

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

In order for the NEOC to enforce the Nebraska Fair Employment Opportunity law, the agency will need to hire an additional investigator to cover the increase in charges filed under this statute. We estimate 80 to 100 charges will be filed under this statute per year. The average cost of a one-day hearing is \$4,700 (cost of hearing examiner plus court reporter) and \$2,500 for a half day hearing. If a fourth of these cases proceed to public hearing, we would experience an increase of approximately \$117,500 for expenses related to 25 hearings if the hearings last one full day. The cost would be approx. \$62,500 for 25 half-day public hearings. The estimated operating costs also cover \$1,100 per year for email, telephone and network connectivity for this additional employee and printing costs for distribution of a booklet covering this new law. The cost to develop rules and regulations would be an additional \$1,000 the first year. The agency currently has the space needed to house an additional investigator. Salary for the second year includes a 2.5% increase. Insurance is based on 2-party coverage, and could be \$5,500 more if family coverage is selected by the employee.

Since this is not a basis covered by federal statute, the agency would not receive an increase in federal funds received under our federal contracts to help support these additional charges. The revenue received would not offset expenses incurred by the agency, since they would be deposited as per the statute language.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2012-2013	2013-2014
	12-13	13-14	EXPENDITURES	EXPENDITURES
EOC Investigator II	1.0	1.0	36,519	37,432
Benefits.....			21,596	21,734
Operating.....			119,600	118,600
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			177,715	177,766

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LB⁽¹⁾ 866 FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Attorney General

Prepared by: ⁽³⁾ Jim Smith Date Prepared: ⁽⁴⁾ 1-18-12 Phone: ⁽⁵⁾ 471-2687

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2012-2013</u>		<u>FY 2013-2014</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>40,860.</u>	<u> </u>	<u>41,460.</u>	<u> </u>
CASH FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
FEDERAL FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
OTHER FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>40,860.</u>	<u> </u>	<u>41,460.</u>	<u> </u>

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

This bill would require an additional .60 FTE of an Assistant Attorney General to carry out additional new duties, which include:

Enforcing NEOC discovery requests for administrative investigations (essentially, adding potential investigative duties for our office)

Enforcing NEOC new authority to impose civil money penalties by making the AG the collection arm of the NEOC through court enforcement of CMP's.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2012-2013</u>	<u>2013-2014</u>
	<u>12-13</u>	<u>13-14</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
AAG	<u>.60</u>	<u>.60</u>	<u>30,000.</u>	<u>30,600.</u>
Benefits.....			<u>10,860.</u>	<u>10,8160.</u>
Operating.....			<u> </u>	<u> </u>
Travel.....			<u> </u>	<u> </u>
Capital outlay.....			<u> </u>	<u> </u>
Aid.....			<u> </u>	<u> </u>
Capital improvements.....			<u> </u>	<u> </u>
TOTAL.....			<u>40,860.</u>	<u>41,460.</u>