

PREPARED BY: Doug Nichols
 DATE PREPARED: February 8, 2013
 PHONE: 402-471-0052

LB 369

Revision: 01

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

Updated to include the response of Department of Health and Human Services

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2013-14		FY 2014-15	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	181,552 – 901,552		181,552 – 901,552	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	181,552 – 901,552		181,552 – 901,552	

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

This bill would require licensed service providers for services to probationers and parolees as prescribed.

The Nebraska Department of Correctional Services (NDCS) states that the additional duties required under this bill could be absorbed by current Parole staff. See the NDCS response following for additional details.

The Supreme Court estimates that cash fund expenditures for services could decrease due to the reduction in providers. The audit provision could have a fiscal impact if Probation Administration is to determine a provider's financial solvency and capacity because the Supreme Court does not have the staff to analyze the audits. The Supreme Court's response follows and provides additional details.

The Department of Health and Human Services (HHS) is estimating a fiscal impact of \$181,552 to \$901,552. If new providers are added to the system, HHS estimates they may need two Program Specialist positions for \$181,552. Additionally, if the increase in providers is significant, HHS may need up to \$720,000 to contract with the Regions to ensure all providers are audited. See the HHS response following for additional details.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: LB 369	AM:	AGENCY/POLT. SUB: Department of Correctional Services (046)	
REVIEWED BY: Joe Wilcox	DATE: February 4 th , 2013	PHONE: (402) 471-4178	
COMMENTS: Concur with agency analysis that any fiscal impact of LB 369 could be absorbed within current resources by the Department of Correctional Services.			

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: LB 369	AM:	AGENCY/POLT. SUB: Supreme Court (005)	
REVIEWED BY: Joe Wilcox	DATE: February 5 th , 2013	PHONE: (402) 471-4178	
COMMENTS: The Supreme Court fiscal note for LB 369 makes no clear estimate of fiscal impact on the Supreme Court. No basis to evaluate the agency analysis.			

Please complete ALL (5) blanks in the first three lines.

2013

LB⁽¹⁾ 369 FISCAL NOTE

State Agency OR Political Subdivision Name: (2) Nebraska Department of Correctional Services (NDCS)

Prepared by: (3) Christina Peters Date Prepared: (4) 1/25/2013 Phone: (5) (402) 479-5702

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2013-14		FY 2014-15	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	0	0	0	0
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	0	0	0	0

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

Explanation of Estimate:

With the current co-operative efforts between Probation and Adult Parole Administration, many of the same service providers are used for Probationers and Parolees. Currently Probation tracks the licensing and credentials of the providers. Assuming that Probation would pick up the additional tracking requirements, Adult Parole would continue to be responsible for tracking the Sex Offender service providers. These duties could be absorbed by current APA staff.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2013-14	2014-15
	13-14	14-15	EXPENDITURES	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			0	0

Please complete ALL (5) blanks in the first three lines.

2013

LB⁽¹⁾ 369 FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Supreme Court

Prepared by: ⁽³⁾ Eric Asboe Date Prepared: ⁽⁴⁾ 2/4/13 Phone: ⁽⁵⁾ 1-4138

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2013-14</u>		<u>FY 2014-15</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

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

Explanation of Estimate:

LB 369 will significantly reduce the number of service providers who although meet the current licensing standards do not meet the standards contained in LB 369. It is estimated that cash fund expenditures for services will decrease, at least in the short term, due to the reduction in providers. The amount of the decrease cannot be estimated, at this time, due to several factors. For example, it is possible that providers that do meet the standards may increase their level of services to cover areas of Nebraska that would be without providers.

Note: It is assumed that provision of an annual independent audit will have no additional fiscal impact. If it is assumed that, once provided, a determination must be made by the administrator of the provider's financial solvency and capacity, there would be a fiscal impact since the Supreme Court does not have staff to analyze the audits.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2013-14 EXPENDITURES</u>	<u>2014-15 EXPENDITURES</u>
	<u>13-14</u>	<u>14-15</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

Prepared by: (3) Willard Bouwens

Date Prepared:(4) 2-8-13

Phone: (5) 471-8072

	FY 2013-2014		FY 2014-2015	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$181,552 - \$901,552		\$181,552 - \$901,552	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$181,552 - \$901,552		\$181,552 - \$901,552	

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

Explanation of Estimate:

The fiscal impact to the Department of Health and Human Services is estimated to be within a range of \$181,552 to \$901,552 general funds in FY14 and \$181,552 to \$901,552 general funds in FY15. This range is provided as an estimate as the cost will depend on the number of additional providers to be audited. There are currently 749 providers, nearly half of which are likely already audited. There is a risk some small providers will not seek accreditation and DBH estimates they may only see 24-36 new providers added to the system. Therefore, the Department is requesting \$181,552 general funds in Program 033 Administration to fund two Program Specialist positions and travel costs.

If the increase in providers is significant, the Department could need up to \$720,000 general funds in Behavioral Health Aid Program 038 contracts with the Regions to ensure all providers are audited.

This estimate assumes no other increases in Program 038 Behavioral Health Aid expenditures.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:	NUMBER OF POSITIONS		2013-2014	2014-2015
	13-14	14-15	EXPENDITURES	EXPENDITURES
Program Socialists	2	2	\$181,552	\$181,552
Benefits.....				
Operating.....				
Travel.....				
Capital Outlay.....				
Aid.....			\$720,000	\$720,000
Capital Improvements.....				
TOTAL.....			\$901,552	\$901,552