

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2016-17		FY 2017-18	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	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.

This bill would change provisions relating to parole administration. It would postpone the transfer of Adult Parole Administration from the Department of Correctional Services (DCS) to the Board of Parole from July 1, 2016 (LB598, 2015) until January 1, 2017.

This bill will have General and cash fund expenditure and revenue impacts to both DCS and the Board of Parole as noted below. However, there will be no General or cash fund impact to the state overall because funds are merely being transferred between these two agencies.

The following table summarizes the impact to DCS:

Department of Correctional Services Impact:	FY2016-17	FY2017-18	FY2016-17	FY2017-18
ITEMS	Number of Positions		Expenditures	
Adult Parole Staff from LB598, 2015	31.50	(63.00)	1,292,223	(2,584,445)
Parole Supervisor Staff from LB605, 2015	1.00	(2.00)	46,672	(93,344)
Benefits			405,253	(810,504)
Operating			745,016	(1,490,031)
Travel			70,000	(140,000)
Community-based Services (Cash Fund)			227,937	(455,873)
TOTAL	32.50	(65.00)	2,787,101	(5,574,197)
Impact by Fund Source:				
GENERAL FUNDS			2,559,164	(5,118,324)
CASH FUNDS			227,937	(455,873)
TOTAL FUNDS			2,787,101	(5,574,197)

See the agency's response for additional details.

The agency estimates a cash fund revenue impact of \$137,000 in FY17 and (\$270,000) in FY18.

The impacted cash fund is the Parole Program Cash Fund. Revenues come from parolees paying a monthly programming fee while they are on parole. Expenditures from the fund are used for programs that address a parolee's vocational, educational, mental health, behavioral, or substance abuse treatment needs.

The following table summarizes the impact to the Board of Parole:

Board of Parole Impact:	FY2016-17	FY2017-18	FY2016-17	FY2017-18
ITEMS	Number of Positions		Expenditures	
Adult Parole Staff from LB598, 2015	(31.50)	63.00	(1,292,223)	2,584,445
Parole Supervisor Staff from LB605, 2015	(1.00)	2.00	(46,672)	93,344
Benefits			(405,253)	810,504
Operating			(745,016)	1,490,031
Travel			(70,000)	140,000
Community-based Services (Cash Fund)			(227,937)	455,873
TOTAL	(32.50)	65.00	(2,787,101)	5,574,197
Impact by Fund Source:				
GENERAL FUNDS			(2,559,164)	5,118,324
CASH FUNDS			(227,937)	455,873
TOTAL FUNDS			(2,787,101)	5,574,197

See the agency's response for additional details.

The agency estimates a cash fund revenue impact of (\$137,000) in FY17 and \$270,000 in FY18. See above for details on the impacted cash fund.

The fiscal analyst was informed by DCS that the amounts in this fiscal note may need to be amended.

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

2016

LB⁽¹⁾ 910

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Nebraska Board of Parole

Prepared by: ⁽³⁾ Brendon Polt

Date Prepared: ⁽⁴⁾ 1/23/2016

Phone: ⁽⁵⁾ (402) 479-5702

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2016-17</u>		<u>FY 2017-18</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>(\$2,559,164)</u>	<u> </u>	<u>\$5,118,324</u>	<u> </u>
CASH FUNDS	<u>(\$227,937)</u>	<u>(\$137,000)</u>	<u>\$455,873</u>	<u>\$270,000</u>
FEDERAL FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
OTHER FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>(\$2,787,101)</u>	<u>(\$137,000)</u>	<u>\$5,574,197</u>	<u>\$270,000</u>

Explanation of Estimate:

LB910 would postpone the transfer of the Office of (Adult) Parole Administration (APA) from the Department of Correctional Services (DCS) to the Board of Parole from July 1, 2016 (per LB598 [2015]) until January 1, 2017. Under §83-1,100 (as amended by LB598), the NDCS director and the Board are required to jointly develop a transition implementation plan for this transfer.

LB910, Section 5(2) adds that the DCS Director and Parole Board Chairperson must meet monthly to implement the transition implementation plan and issue monthly reports to the Legislature. Among the initial monthly reports, the following would be "detailed": budget and transition logistics, development of board policies and procedures, a community-based services coordination plan; and a data and evaluation plan. Subsequent monthly reports would be required until January 1, 2017 and would "detail" changes to the initial report and the transition implementation plan. From January 1, 2017 until January 1, 2018, the reports and updates would be quarterly.

To comply with the administrative requirements of the bill, the Board of Parole intends to allocate the reporting and other associated tasks to existing staff and positions provided to the Board under LB598. Additional administrative support will be available to the Board from APA staff currently employed with DCS and new positions provided to the APA under LB598 and LB605(2015) which will transfer to the Board either on July 1, 2016 or January 1, 2017 under LB910.

(Continued on next page.)

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2016-17 EXPENDITURES</u>	<u>2017-18 EXPENDITURES</u>
	<u>16-17</u>	<u>17-18</u>		
All APA staff except 4 FTE (reentry specialists) to remain at DCS	<u>(31.5)</u>	<u>63.0</u>	<u>(\$1,292,223)</u>	<u>\$2,584,445</u>
One parole supervisor FTE	<u>(1.0)</u>	<u>2.0</u>	<u>(\$46,672)</u>	<u>\$93,344</u>
Benefits.....			<u>(\$405,253)</u>	<u>\$810,504</u>
Operating.....			<u>(\$972,953)</u>	<u>\$1,945,904</u>
Travel.....			<u>(\$70,000)</u>	<u>\$140,000</u>
Capital outlay.....			<u> </u>	<u> </u>
Aid.....			<u> </u>	<u> </u>
Capital improvements.....			<u> </u>	<u> </u>
TOTAL.....			<u>(\$2,787,101)</u>	<u>\$5,574,197</u>

The expenditure estimates above temporarily reduce by 50% the 63.0 FTE and associated salaries, benefits, operating costs, and travel provided by LB598 (31.5 FTE is rounded to 32). Capital outlay of \$491,868 would not be reduced since this category represents one-time costs that would not be affected by the 6-month postponement. It also temporarily removes 1.0 FTE associated with the two Corrections parole supervisors authorized by LB605 which under existing law (per LB598) will transfer to the Parole Board. Additionally, the estimate temporarily reduces by 50% both cash fund expenditures currently included in the Board's appropriation for FY16-17 and associated estimated revenue.

NOTE: The amounts below shown in FY17-18 reflect the base DCS appropriation accounting for LB598 and LB605. This is not intended to indicate a forthcoming expanded budget request. It is the intent of Parole Board that the negotiated state employee salary increase for FY17-18 be applied to salaries shown in that year.

Revenue estimates above come from the DCS FY15-17 Budget Request.

--
 LB910 Fiscal Note Calculations Based Upon LB598 & LB605 (Board of Parole)

	FTE		APPROPRIATION	
	<u>FY16-17</u>	<u>FY17-18</u>	<u>FY17-18</u>	<u>FY17-18</u>
LB 910 Appropriation Changes to LB598				
Salaries: 50% of 63 Adult Parole Admin (APA) FTE	(31.5)	63.0	(\$1,292,223)	\$2,584,445
Benefits			(\$391,251)	\$782,501
Operating			(\$700,016)	\$1,400,031
Travel			(\$70,000)	\$140,000
Capital Outlay			\$0	\$0
Community-Based Services			(\$227,937)	\$455,873
TOTAL	(31.5)	63.0	(\$2,681,427)	\$5,362,850
Related to LB605				
	<u>FY16-17</u>	<u>FY17-18</u>	<u>FY17-18</u>	<u>FY17-18</u>
LB 910 Appropriation Changes Related to LB605				
Salaries: 50% of 2 APA FTE	(1.0)	2.0	(\$46,672)	\$93,344
Benefits			(\$14,002)	\$28,003
Operating			(\$45,000)	\$90,000
TOTAL	(1.0)	2.0	(\$105,674)	\$211,347
GRAND TOTAL	(32.5)	65.0	(\$2,787,101)	\$5,574,197
APPROPRIATION				
Total Impact to DCS BY FUND SOURCE			<u>FY17-18</u>	<u>FY17-18</u>
General			(\$2,559,164)	\$5,118,324
Cash			(\$227,937)	\$455,873
Total			(\$2,787,101)	\$5,574,197
PSL			(\$1,338,895)	\$2,677,789

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

2016

LB⁽¹⁾ 910

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Nebraska Department of Correctional Services

Prepared by: ⁽³⁾ Brendon Polt

Date Prepared: ⁽⁴⁾ 1/23/2016

Phone: ⁽⁵⁾ (402) 479-5702

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2016-17</u>		<u>FY 2017-18</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$2,559,164		(\$5,118,324)	
CASH FUNDS	\$227,937	\$137,000	(\$455,873)	(\$270,000)
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$2,787,101	\$137,000	(\$5,574,197)	(\$270,000)

Explanation of Estimate:

LB910 would postpone the transfer of the Office of (Adult) Parole Administration (APA) from the Department of Correctional Services (DCS) to the Board of Parole from July 1, 2016 (per LB598 [2015]) until January 1, 2017. Under §83-1,100 (as amended by LB598), the NDCS director and the Board are required to jointly develop a transition implementation plan for this transfer.

LB910, Section 5(2) adds that the DCS Director and Parole Board Chairperson must meet monthly to implement the transition implementation plan and issue monthly reports to the Legislature. Among the initial monthly reports, the following would be "detailed": budget and transition logistics, development of board policies and procedures, a community-based services coordination plan; and a data and evaluation plan. Subsequent monthly reports would be required until January 1, 2017 and would "detail" changes to the initial report and the transition implementation plan. From January 1, 2017 until January 1, 2018, the reports and updates would be quarterly.

To comply with the administrative requirements of the bill, DCS intends to allocate the reporting and other administrative tasks identified in Section 5 to staff provided under LB598 and LB605(2015) and possibly other existing staff.

(Continued on next page.)

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2016-17</u>	<u>2017-18</u>
	<u>16-17</u>	<u>17-18</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
All APA staff except 4 FTE (reentry specialists) to remain at DCS	31.5	(63.0)	\$1,292,223	(\$2,584,445)
One parole supervisor FTE	1.0	(2.0)	\$46,672	(\$93,344)
Benefits.....			\$405,253	(\$810,504)
Operating.....			\$972,953	(\$1,945,904)
Travel.....			\$70,000	(\$140,000)
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			\$2,787,101	(\$5,574,197)

The expenditure estimates above temporarily restore by 50% the 63.0 FTE and associated salaries, benefits, operating

costs, and travel reduced by LB598 (31.5 FTE is rounded to 32). Capital outlay of \$491,868 would not be restored because this category represents one-time costs that would not be affected by the 6-month postponement. It also temporarily restores 1.0 FTE associated with the two Corrections parole supervisors authorized by LB605 which under existing law (per LB598) will transfer to the Parole Board. Additionally, the estimate temporarily restores 50% of cash fund appropriation associated with the Community-Based Services program to account for the additional six months DCS would administer this program under LB910. Fifty percent of associated revenue is also included in the estimate.

NOTE: The amounts below shown in FY17-18 reflect the base DCS appropriation accounting for LB598 and LB605. This is not intended to indicate a forthcoming additional budget reduction request.

Revenue estimates above come from the DCS FY15-17 Budget Request.

--
 LB910 Fiscal Note Calculations Based Upon LB598 & LB605 (Department of Correctional Services)

	FTE		APPROPRIATION	
	<u>FY16-17</u>	<u>FY17-18</u>	<u>FY16-17</u>	<u>FY17-18</u>
LB 910 Appropriation Changes to LB598				
Salaries: 50% of 63 Adult Parole Admin (APA) FTE	31.5	(63.0)	\$1,292,223	(\$2,584,445)
Benefits			\$391,251	(\$782,501)
Operating			\$700,016	(\$1,400,031)
Travel			\$70,000	(\$140,000)
Capital Outlay			\$0	\$0
Community-Based Services			\$227,937	(\$455,873)
TOTAL	31.5	(63.0)	\$2,681,427	(\$5,362,850)
Related to LB605				
	FTE		APPROPRIATION	
	<u>FY16-17</u>	<u>FY17-18</u>	<u>FY16-17</u>	<u>FY17-18</u>
LB 910 Appropriation Changes Related to LB605				
Salaries: 50% of 2 APA FTE	1.0	(2.0)	\$46,672	(\$93,344)
Benefits (38.3% of total)			\$14,002	(\$28,003)
Operating (38.3% of total)			\$45,000	(\$90,000)
TOTAL	1.0	(2.0)	\$105,674	(\$211,347)
GRAND TOTAL	32.5	(65.0)	\$2,787,101	(\$5,574,197)
APPROPRIATION				
Total Impact to DCS BY FUND SOURCE			<u>FY16-17</u>	<u>FY17-18</u>
General			\$2,559,164	(\$5,118,324)
Cash			\$227,937	(\$455,873)
Total			\$2,787,101	(\$5,574,197)
PSL			\$1,338,895	(\$2,677,789)