

PREPARED BY: Scott Danigole
 DATE PREPARED: February 21, 2019
 PHONE: 471-0055

LB 301

Revision: 01

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

Updated to include all amendments adopted to date.

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2019-20		FY 2020-21	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	See Below	See Below	See Below	See Below
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See Below	See Below	See Below	See Below

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

LB 301 transfers responsibility for the Conveyance Safety Act, the Nebraska Amusement Ride Act, and the Boiler Inspection Act from the Department of Labor to the State Fire Marshal.

These three programs are Cash Funded activities. The net fiscal result to the state will be \$0.

According to the Department of Labor and the State Fire Marshal, ten (10.0) FTE will be transferred. The Department of Labor would realize a Cash Fund expenditure decrease of \$1,263,505 in FY2019-20 and \$1,279,940 in FY2020-21. Cash Fund revenue would decline by \$1,381,300 in FY2019-20 and \$1,447,400 in FY2020-21. The Fire Marshal estimates offsetting increases in the same amounts.

The Department of Labor would reduce PSL in the amount of \$627,927 for FY2019-20 and \$640,394 for FY2020-21. The State Fire Marshal would require the same amounts of PSL increases.

LB 301, as amended, transfers appropriation authority as it exists on July 1, 2019 from the Department of Labor – Program 194, Subprograms 9 and 10 to a new program at the State Fire Marshal, Program 230 – Safety Inspection Program.

These estimates appear to be reasonable.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 301	AM: 165 and AM 299	AGENCY/POLT. SUB: Nebraska Department of Labor (023)
REVIEWED BY: Joe Wilcox	DATE: 02/21/2019	PHONE: (402) 471-4178
COMMENTS: The Nebraska Department of Labor Fiscal note on LB 301, as amended by AM 165 and AM 299, is the same as the fiscal note on the bill prior to these amendments. The amendments do not alter the overall fiscal impact to the Agency from LB 301.		

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

2019

LB⁽¹⁾ 301, AM165 & AM299

FISCAL NOTE

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

Prepared by: ⁽³⁾ Katie Thurber Date Prepared: ⁽⁴⁾ 2-14-2019 Phone: ⁽⁵⁾ 402-471-9912

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2019-20</u>		<u>FY 2020-21</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS				
CASH FUNDS	<u>(\$1,263,505)</u>	<u>(\$1,381,300)</u>	<u>(\$1,279,940)</u>	<u>(\$1,447,400)</u>
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u>(\$1,263,505)</u>	<u>(\$1,381,300)</u>	<u>(\$1,279,940)</u>	<u>(\$1,447,400)</u>

Explanation of Estimate: LB 301 would move the responsibility for the Conveyance Safety Act, the Nebraska Amusement Ride Act, and the Boiler Inspection Act from the Nebraska Department of Labor (NDOL) to the State Fire Marshal (SFM). If bill passes, effective July 1, 2019, all personnel in the NDOL Conveyance and Boiler programs will be eliminated from NDOL. Currently, 10.0 FTE's provide direct support to these programs. All totals reflect the FY19-21 Budget Request including Budget Issues that impact these programs: 2019 January 1 Salary Annualization of \$5,199 each year; 2019-2021 Employee Salary Increase of \$14,076 in FY20 and \$28,432 in FY21; and 2019-2021 Employee Health Insurance Increase of \$2,019 in FY20 and 4,098 in FY21. The salary increases are based on 2% each July 1 as included in the Biennium Budget instructions. However, they are subject to change.

The Conveyance Safety Act, the Nebraska Amusement Ride Act, and the Boiler Inspection Act are cash funded programs. There is no anticipated cost to the General Fund or the overall budget of the State of Nebraska. NDOL's full budget for the impacted cash fund programs will be transferred to the SFM. Increased cash fund expenditures and revenue by SFM will be offset by reduced cash fund expenditures and revenues by NDOL. The SFM anticipates it will be able to run the programs within the same budgeted amounts as NDOL.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2019-20</u>	<u>2020-21</u>
	<u>19-20</u>	<u>20-21</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Safety Division Director	-1.00	-1.00	<u>(\$86,865)</u>	<u>(\$88,602)</u>
Staff Assistant I	-2.00	-2.00	<u>(76,144)</u>	<u>(77,667)</u>
Boiler Inspector	-2.00	-2.00	<u>(108,173)</u>	<u>(110,286)</u>
Elevator Inspection Manager	-1.00	-1.00	<u>(66,709)</u>	<u>(68,043)</u>
Elevator/Amusement Inspector	-4.00	-4.00	<u>(220,650)</u>	<u>(225,023)</u>
Total Direct	-10.00	-10.00	<u>(\$558,541)</u>	<u>(\$569,621)</u>
Indirect Support			<u>(69,386)</u>	<u>(70,773)</u>
Total Salaries	-10.00	-10.00	<u>(\$627,927)</u>	<u>(\$640,394)</u>
Benefits.....			<u>(163,996)</u>	<u>(167,964)</u>
Operating.....			<u>(371,194)</u>	<u>(371,194)</u>
Travel.....			<u>(95,888)</u>	<u>(95,888)</u>
Capital outlay.....			<u>(4,500)</u>	<u>(4,500)</u>
Aid.....				
Capital improvements.....				
TOTAL.....			<u>(\$1,263,505)</u>	<u>(\$1,279,940)</u>

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

2019

LB⁽¹⁾ 301 as amended by AM 165 and 229

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ State Fire Marshal

Prepared by: ⁽³⁾ Deb Hostetler Date Prepared: ⁽⁴⁾ 2-21-19 Phone: ⁽⁵⁾ 402-471-9479

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2019-20</u>		<u>FY 2020-21</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS				
CASH FUNDS	\$1,263,505	\$1,381,300	\$1,279,940	\$1,447,400
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$1,263,505	\$1,381,300	\$1,279,940	\$1,447,400

NOTE: There is no change to the fiscal note from the proposed Amendments 165 and 229.

Explanation of Estimate: LB 301 would move the responsibility for the Conveyance Safety Act, the Nebraska Amusement Ride Act, and the Boiler Inspection Act from the Nebraska Department of Labor (NDOL) to the State Fire Marshal (SFM). If bill passes, effective July 1, 2019, all personnel in the NDOL Conveyance and Boiler programs will be eliminated from NDOL. Currently, 10.0 FTE's provide direct support to these programs. All totals reflect the FY19-21 Budget Request including Budget Issues that impact these programs: 2019 January 1 Salary Annualization of \$5,199 each year; 2019-2021 Employee Salary Increase of \$14,076 in FY20 and \$28,432 in FY21; and 2019-2021 Employee Health Insurance Increase of \$2,019 in FY20 and 4,098 in FY21. The salary increases are based on 2% of each July 1 as included in the Biennium Budget Instructions. However, they are subject to change.

The Conveyance Safety Act, the Nebraska Amusement Ride Act, and the Boiler Inspection Act are cash funded programs. There is no anticipated cost to the General Fund or the overall budget of the State of Nebraska. NDOL's full budget for the impacted cash fund programs will be transferred to the SFM. Increased cash fund expenditures and revenue by SFM will be offset by reduced cash fund expenditures and revenues by NDOL. The SFM anticipates it will be able to run the programs within the same budgeted amounts as NDOL.

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Elevator Inspection Manager	1.00	1.00	66,709	68,043
Elevator/Amusement Inspector	4.00	4.00	220,650	225,023
Total Direct	10.00	10.00	\$558,541	\$569,621
Indirect Support			69,386	70,773
Total Salaries	10.00	10.00	\$627,927	\$640,394
Benefits.....			163,996	167,964
Operating.....			371,194	371,194
Travel.....			95,888	95,888
Capital outlay.....			4,500	4,500

Aid.....	<u> </u>	<u> </u>
Capital improvements.....	<u> </u>	<u> </u>
TOTAL	<u> \$1,263,505 </u>	<u> \$1,279,940 </u>