

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>				
	<b>FY 2019-20</b>		<b>FY 2020-21</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS	See Below		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.**

LB345 provides an employee of the State of Nebraska providing services to individuals in facilities under twenty-four-hour care and supervision shall:

- Not be disciplined nor lose any right, benefit, or privilege for refusing to work more than 12 consecutive hours.
- Not be required to work 7 straight days without a day off.
- Accept overtime on a voluntary basis only.

The Nebraska Department of Correctional Services (NDCS) indicates that without essential staffing levels, the facilities would be required to run on a modified schedule or become locked down which increases costs, averaging about \$916 per day. NDCS also indicates that the provisions on LB345 could require a partnership with the Nebraska State Patrol and the National Guard who would need to assist in staff shortage situation in order to maintain the safety and security of the facility.

The Nebraska Department of Veterans' Affairs (NDVA) indicates the elimination of mandatory overtime would necessitate additional staffing hours and travel costs. NDVA estimates the costs to be \$253,821 of which \$104,067 would be General Funds. The estimate assumes additional staffing would be available.

The Nebraska Department of Health and Human (DHHS) indicates that for FY2017-18 an average of over 3,500 hours were worked each week as overtime in their six 24-hour facilities. DHHS also indicates that the facilities would need to contract with emergency staffing agencies to fill in gaps in the schedule. DHHS estimates the cost for emergency staffing will greatly exceed the costs of the existing overtime.

Work schedules and overtime are covered by collective bargaining.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 345	AM:	AGENCY/POLT. SUB: Nebraska Department of Correctional Services	
REVIEWED BY: Neil Sullivan	DATE: 2/4/2019	PHONE: (402) 471-4179	
COMMENTS: No basis to disagree with the Nebraska Department of Correctional Services estimate of indeterminate fiscal impact from LB 345, assumptions appear reasonable.			

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 345	AM:	AGENCY/POLT. SUB: Nebraska Department of Veterans' Affairs	
REVIEWED BY: Neil Sullivan	DATE: 2/8/2019	PHONE: (402) 471-4179	
COMMENTS: The Nebraska Department of Veterans' Affairs assessment of fiscal impact from LB 345 appears reasonable.			

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

**2019**

**LB<sup>(1)</sup> 345**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Department of Correctional Services

Prepared by: <sup>(3)</sup> Sara Sump Date Prepared: <sup>(4)</sup> 1/23/19 Phone: <sup>(5)</sup> 402.479.5702

**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	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	<u>_____</u>	<u>0</u>	<u>_____</u>	<u>0</u>

**Explanation of Estimate:**

Fiscal impact is indeterminate. NDCS is required to protect the citizens of Nebraska based on state statute. Without the essential staffing levels the facilities would be required to run on a modified schedule or become locked down.

Exact costs for additional supplies during a lockdown are hard to determine in the time allocated, the 2 examples listed are from Tecumseh State Correctional Institution when lockdowns occurred for various reasons. The main supplies bought are for the kitchen as meals are delivered to the all the units: March 2<sup>nd</sup>-5<sup>th</sup> 2017 costing \$4,298 and September 2<sup>nd</sup>-7<sup>th</sup> 2016 costing \$6,801. This averages out to be \$916 per day when a facility must be locked down or run modified operations.

Passing of LB 345 could also require a large partnership with the Nebraska State Patrol and National Guard, who would need to assist in staff shortage situations and maintain the safety and security of the facility.

**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>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
<b>TOTAL.....</b>	_____	_____	_____	_____

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

**2019**

**LB<sup>(1)</sup> 345**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Department of Veterans' Affairs

Prepared by: <sup>(3)</sup> Rea Easton

Date Prepared: <sup>(4)</sup> 2/5/2019

Phone: <sup>(5)</sup> 402-471-2409

**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	104,067		104,067	
CASH FUNDS	60,917		60,917	
FEDERAL FUNDS	88,837		88,837	
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>253,821</b>		<b>253,821</b>	

**Explanation of Estimate:**

Elimination of mandatory overtime (MOT) in the four 24 hour facilities operated under Nebraska Department of Veterans' Affairs (NDVA) would necessitate additional agency staffing hours and travel costs.

Average agency hourly cost including travel	\$	49.77
Estimated hours		11,625
Total Agency Costs to replace MOT	\$	578,582
Existing MOT costs including benefits	\$	324,761
Cost above existing MOT	\$	253,821

These costs assume that availability of agency staffing remains available. If mandatory overtime is eliminated for all state facilities, agency staffing may become more scarce causing the costs to increase.

Additionally, the elimination of mandatory overtime may influence voluntary overtime. Some voluntary overtime may be driven by an effort by staff to control when overtime is performed. Without the risk of mandatory overtime, staff may choose not to volunteer as much.

**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>
Benefits.....				
Operating.....			164,984	164,984
Travel.....			88,837	88,837
Capital outlay.....				
Aid.....				
Capital improvements.....				
<b>TOTAL.....</b>			<b>253,821</b>	<b>253,821</b>

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

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

Prepared by: (3) Mike Michalski

Date Prepared 1-24-19

Phone: (5) 471-6719

	<u>FY 2019-2020</u>		<u>FY 2020-2021</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
<b>GENERAL FUNDS</b>				
<b>CASH FUNDS</b>				
<b>FEDERAL FUNDS</b>				
<b>OTHER FUNDS</b>				
<b>TOTAL FUNDS</b>	See Below		See Below	

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

**Explanation of Estimate:**

LB 345 eliminates the ability of 24 hour facilities to require mandatory overtime once an employee has worked 12 consecutive hours or has worked seven straight days without a day off.

During FY18, an average of over 3,500 hours were worked each week as overtime in the six 24 hour facilities of the Department of Health and Human Services (DHHS). This bill may impact staff's desire to work voluntary overtime, therefore DHHS cannot determine what the mandatory versus voluntary mix might be.

The facilities would need to contract with emergency staffing agencies to fill in gaps in the schedule. DHHS anticipates the cost for an emergency staffing pool will greatly exceed the costs of the existing overtime.

**For**

**MAJOR OBJECTS OF EXPENDITURE**

PERSONAL SERVICES:	NUMBER OF POSITIONS		2019-2020	2020-2021
	POSITION TITLE	19-20	20-21	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital Outlay.....				
Aid.....				
Capital Improvements.....				
<b>TOTAL.....</b>				