

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2019-20		FY 2020-21	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	0-148,028		0-192,635	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	0-148,028		0-192,635	

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

LB 461 changes provisions related to regulation of motor carriers by the Public Service Commission (PSC).

Under LB 461, the PSC will no longer review companies for the purpose of issuing certificates of public convenience and necessity. The PSC will no longer review applicants as being fit, willing and able to properly perform the services proposed in their application.

Based on the bill's provisions, the PSC estimates that the number of hearings for front-end applications will be reduced, but customer complaints will increase. In order to address increased complaints and perform investigations, the PSC estimates the need for 2.0 FTE. Each FTE would need a dedicated vehicle to perform their investigative duties properly.

While it is likely that the PSC will need additional staffing and resources, it is unclear at this time the degree to which such staffing and resources will be required. That will be dependent upon the number and frequency of complaints and investigations. For this reason, the dollar figures in the table above are provided as a range.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 461	AM:	AGENCY/POLT. SUB: Public Service Commission	
REVIEWED BY: Lee Will	DATE: 2/4/2019	PHONE: (402) 471-4175	
COMMENTS: No basis to disagree with the Public Service Commission's assessment of fiscal impact. The amount of anticipated expenditures may be overstated dependent upon the amount of increased complaints due to the provisions in the bill.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 461	AM:	AGENCY/POLT. SUB: Department of Health & Human Services	
REVIEWED BY: Lee Will	DATE: 2/21/2019	PHONE: (402) 471-4175	
COMMENTS: Concur with the Department of Health & Human Services' assessment of fiscal impact.			

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

2019

LB⁽¹⁾ 461

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Public Service Commission

Prepared by: ⁽³⁾ Laurie Casados Date Prepared: ⁽⁴⁾ 1/25/19 Phone: ⁽⁵⁾ 402-471-0252

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	<u>148,028</u>	<u>0</u>	<u>192,635</u>	<u>0</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><u>148,028</u></u>	<u><u>0</u></u>	<u><u>192,635</u></u>	<u><u>0</u></u>

Explanation of Estimate:

LB461 eliminates the Commission's review of companies at market entry for purposes of issuance of certificates of public convenience and necessity, and provides for a permit only process. The Commission would no longer do a review of applicants as to being fit, willing and able to properly perform the services proposed in their application. The bill also changes provisions related to regulation of rates charged by regulated motor carriers.

Eliminating the public convenience and necessity review and requirements will reduce the number of hearings that the Commission will perform during the front-end application process. However, with all applicants being issued a permit with no review of the company's fitness to perform, the Commission fully expects customer complaints to increase. This will increase the number of complaints to be investigated and the number of hearings required to be held in the complaint process. In order to handle the increased investigation of complaints, the Commission would need to hire two additional Inspectors/Investigators. The Commission anticipates these additional positions would be hired in January 2020 and that both would require a car to perform these duties.

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>
Inspector I	<u>2</u>	<u>2</u>	<u>50,098</u>	<u>102,201</u>
Benefits.....			<u>32,580</u>	<u>66,934</u>
Operating.....			<u>5,650</u>	<u>11,100</u>
Travel.....			<u>6,200</u>	<u>12,400</u>
Capital outlay.....			<u>53,500</u>	<u>0</u>
Aid.....			<u>0</u>	<u>0</u>
Capital improvements.....			<u>0</u>	<u>0</u>
TOTAL.....			<u><u>148,028</u></u>	<u><u>192,635</u></u>

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 1-30-19

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>
GENERAL FUNDS	\$0		\$0	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$0		\$0	

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

Explanation of Estimate:

There is no fiscal impact to the Department of Health and Human Services.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:

POSITION TITLE	NUMBER OF POSITIONS		2019-2020 EXPENDITURES	2020-2021 EXPENDITURES
	19-20	20-21		
Benefits.....			\$0	\$0
Operating.....				
Travel.....				
Capital Outlay.....				
Aid.....				
Capital Improvements.....				
TOTAL.....			\$0	\$0