

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>				
	<b>FY 2018-19</b>		<b>FY 2019-20</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS	3,983,565		4,471,833	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>3,983,565</b>		<b>4,471,833</b>	

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

This bill would provide for room confinement for juveniles as prescribed.

The Department of Health and Human Services (HHS) estimates the following cost associated with this bill:

ITEMS	FY2018-19	FY2019-20	FY2018-19	FY2019-20
	Number of Positions		Expenditures	
Security Guard	-	17.00	0	247,520
Facility Maintenance Technician I	-	2.00	0	26,674
Benefits			0	101,271
Operating			0	122,403
Travel			2,720	2,720
Aid			14,300	14,300
Perimeter fencing - Geneva and Kearney YRTC's			3,653,018	3,653,018
<b>TOTAL</b>	<b>-</b>	<b>19.00</b>	<b>3,670,038</b>	<b>4,167,906</b>

The amount in the above-table for FY20 is \$3 lower than HHS and this appears to be due to rounding. See the HHS response attached for additional details not included in this fiscal note.

The Department of Correctional Services (NDCS) estimates the following cost associated with this bill:

ITEMS	FY2018-19	FY2019-20	FY2018-19	FY2019-20
	Number of Positions		Expenditures	
Corporals	6.00	6.00	226,712	226,712
Benefits			74,815	74,815
Operating			12,000	2,400
<b>TOTAL</b>	<b>6.00</b>	<b>6.00</b>	<b>313,527</b>	<b>303,927</b>

The Lancaster County Youth Services Center estimates a FY19 cost of \$415,263. Although shown only as a one-year impact, it appears that this is an annual cost. See their response attached for additional details not included in this fiscal note.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
<b>LB: 870 (025)</b>	<b>AM:</b>	AGENCY/POLT. SUB: <b>Nebraska Department of Health and Human Services</b>
REVIEWED BY: Joe Wilcox	DATE: 01/22/2018	PHONE: <a href="tel:4024714178">(402) 471-4178</a>
COMMENTS: The primary potential cost to the Nebraska Department of Health and Human Services from LB 870, based on the Agency fiscal note, is the estimated need to construct and monitor (staff) security fencing at the YRTC's in Kearney and Geneva. While this may be a potential impact, it is difficult to determine that this is the only or most likely option available to the Agency at this time.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
<b>LB: 870</b>	<b>AM:</b>	AGENCY/POLT. SUB: <b>Lancaster County Youth Services Center</b>
REVIEWED BY: Joe Wilcox	DATE: 01/17/2018	PHONE: <a href="tel:4024714178">(402) 471-4178</a>
COMMENTS: No basis to dispute the Lancaster County Youth Services Center estimate of potential Fiscal Impact to the County from LB 870.		

**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: 1-8-18

Phone: (5) 471-5046

	<u>FY 2018-2019</u>		<u>FY 2019-2020</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
<b>GENERAL FUNDS</b>	\$3,670,038		\$4,167,909	
<b>CASH FUNDS</b>				
<b>FEDERAL FUNDS</b>				
<b>OTHER FUNDS</b>				
<b>TOTAL FUNDS</b>	\$3,670,038		\$4,167,909	

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

**Explanation of Estimate:**

LB 870 would change the current policies of the Department of Health and Human Services to reduce room confinement for youths at the Youth Rehab Treatment Centers located in Kearney and Geneva. This legislation would require youths to be placed in the general population after spending three hours in isolation due to an incident regardless of the current re-integration plan. Individuals who would need more time to be out of the general population could be transferred to a mental health facility. DHHS estimates that 10 youths from Geneva and 3 youths from Kearney would be transferred (based on historical admittance of youths to similar facilities). The total costs paid to the facilities due to housing the individuals would be \$14,300 (\$250 per day for individuals from Geneva and \$1,550 per day for individuals for Kearney based on an average 2 day stay). These daily costs used an average of past stay costs per day. Extra transportation costs due to transferring the individuals from Geneva to the facility in Lincoln would be \$2,720 (based on a Direct Care Staff and a Security Supervisor needed to transfer the youth on a 1.5 hour drive each way). There would be minimal extra costs for the Kearney transfers as the facility for the Kearney youths would be located in Kearney. The total costs of travel and stay would be \$17,020 in each year.

Additional security would be required to keep flight risk youths on the property as YRTC staff would have little ability to secure youth at the facility. Youths in our care have either run from home or from other facilities in which they have been placed. A fence would be necessary at both facilities to reduce escapes. A study made in August 2016 for a new 14 foot chain link fence for the Kearney facility by Wilkins Architecture in Kearney indicated a total cost of \$3,785,100. The fence itself cost \$1,800,000 or \$315/foot with the remainder being security, physical enhancement to parking lot to align facility for safety measures, improved lighting, contingencies, administration, landscaping, and other costs. DHHS estimated the same cost per foot for the perimeter of a fence at Geneva and included the same direct construction and non-construction costs except the new parking lot needed at Kearney. Total perimeter of 6,246 feet was estimated using Google Maps to trace a proposed fence perimeter on both sides of the road. Estimated costs for a fence at Geneva would be \$3,370,665. This estimate also broke down the security camera and lighting costs per foot of perimeter in the estimate. Other costs were assumed to be the same as other construction costs would not change as perimeter changed. As stated by the Bureau of Labor Statistics, inflation of 2.1% occurred in 2017. DHHS increased the cost of the bid by the same inflation rate to have a total cost of both fences to be \$7,155,765. The study also estimated that the project would take approximately 20 months from legislative approval to completion. Half of the project would be paid in each SFY. If the same timeline would be followed, the fence would be completed in December 2019. This timeline was assuming that DHHS would have a full bidding process and complete all construction in the time frame in the study.

Additional staff would be required to provide security and maintenance for the fence. Two security staff would be needed at each facility 24 hours per day to watch the perimeter as well as monitor the security system. The total hours at each facility would require 17 new security staff (8.5 FTE at each location). One new maintenance worker would be required for each facility. The total new costs in SFY 2020 would be \$497,870 (assumed December 1, 2019 hire date).

**MAJOR OBJECTS OF EXPENDITURE**

**PERSONAL SERVICES:**

POSITION TITLE	NUMBER OF POSITIONS		2018-2019	2019-2020
	18-19	19-20	EXPENDITURES	EXPENDITURES
Security Guard	0	17		\$247,520
Facility Maintenance Technician I	0	2		\$26,674

Benefits.....				\$101,271
Operating.....				\$122,403
Travel.....			\$2,720	\$2,720
Capital Outlay.....				
Aid.....			\$14,300	\$14,300
Capital Improvements.....			\$3,653,018	\$3,653,018
<b>TOTAL.....</b>			<b>\$3,670,038</b>	<b>\$4,167,909</b>

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

**2018**

**LB<sup>(1)</sup> 870**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup>

Nebraska Department of Correctional Services

Prepared by: <sup>(3)</sup> Jeff Beaty

Date Prepared: <sup>(4)</sup> 1/19/18

Phone: <sup>(5)</sup> 4024795767

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2018-19</u>		<u>FY 2019-20</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>\$313,527</u>	<u>0</u>	<u>\$303,927</u>	<u>0</u>

Explanation of Estimate:

LB 870 provides a number of limitations on the use of room confinement for offenders less than 19 years of age housed within a Nebraska Department of Correctional Services facility. LB 870 requires room confinement to be used only for the minimum time required to eliminate the risk to self or others, requires release after a maximum of three hours and requires continuous supervision of inmates under 19 in room confinement.

The estimated fiscal impact of LB 870 is that additional staff positions or overtime will be required to continuously monitor individuals under 19 who are placed in room confinement and to make the notices required by the act. To provide continuous monitoring of individuals under 19 in restrictive housing and comply with the notice and reporting requirements of the bill will require one additional post for all three shifts at the Nebraska Correctional Youth Facility. With the relief factor, this equates to 6 full time employees.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2018-19 EXPENDITURES</u>	<u>2019-20 EXPENDITURES</u>
	<u>18-19</u>	<u>19-20</u>		
<u>Corporals</u>	<u>6</u>	<u>6</u>	<u>\$226,712</u>	<u>\$226,712</u>
Benefits.....			<u>\$74,815</u>	<u>\$74,815</u>
Operating.....			<u>\$12,000</u>	<u>\$2,400</u>
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			<u>\$313,527</u>	<u>\$303,927</u>

