

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2021-22		FY 2022-23	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below		See below	

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

LB349 seeks to establish El-Hajj Malik El-Shabazz, Malcolm X Day to be observed each year on May 19. The bill further seeks that on this date, suitable exercises and ceremonies shall be held in schools and other suitable places to recognize the sacrifices and contributions of the late El-Hajj Malik El-Shabazz, Malcolm X to the betterment of society. The State Department of Education is directed to make, within the limits of funds available for such purpose, information available for the observance of El-Hajj Malik El-Shabazz, Malcolm X Day to the schools and all people of the state.

If this bill was passed as introduced, state employees would receive a new state holiday. As some state employees would continue to be required to work on that day, the state would incur the costs of overtime holiday pay. The actual costs are difficult to discern due to that different agencies may be impacted in varying degrees due to the need for 24/7 coverage by state personnel.

Based on historical wages paid for overtime holiday costs, the average cost per day including FICA and retirement is \$479,072 for all state employees that would be impacted by the bill. See the following for the estimated allocation of cost by the fund type:

Fund Type	Expenditures- FY22-23	Expenditures- FY21-23
General Fund	\$226,476	\$226,476
Cash Fund	\$103,681	\$103,681
Federal Fund	\$135,128	\$135,128
Revolving Fund	\$13,787	\$13,787
TOTAL	\$479,072	\$479,072

The Department of Administrative Services would negotiate agreements with all four labor unions, NAPE, FOP, SLEBC and SCATA, to make the necessary adjustments to the labor contracts. An increase in PSL would also need to be appropriated to cover the additional personnel costs.

The Department of Education and the University of Nebraska estimate nominal or no fiscal impact.

There is no basis to disagree with these estimates.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 349	AM:	AGENCY/POLT. SUB: Department of Administrative Services	
REVIEWED BY: Jacob Leaver	DATE: 1/25/2021	PHONE: (402) 471-4173	
COMMENTS: No basis to disagree with the Department of Administrative Services' estimate as a result of LB 349.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 349	AM:	AGENCY/POLT. SUB: Department of Education	
REVIEWED BY: Jacob Leaver	DATE: 1/20/2021	PHONE: (402) 471-4173	
COMMENTS: No basis to disagree on the Department of Education's estimate of no fiscal impact to the agency as a result of LB 349.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 349	AM:	AGENCY/POLT. SUB: University of Nebraska	
REVIEWED BY: Jacob Leaver	DATE: 1/20/2021	PHONE: (402) 471-4173	
COMMENTS: No basis to disagree on the University of Nebraska's assessment of productivity loss to the agency as a result of LB 349.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 349	AM:	AGENCY/POLT. SUB: Game and Parks Commission	
REVIEWED BY: Jacob Leaver	DATE: 1/21/2021	PHONE: (402) 471-4173	
COMMENTS: No basis to disagree with the Game and Parks Commission's estimate of no net fiscal impact to the agency as a result of LB 349.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 349	AM:	AGENCY/POLT. SUB: Department of Health and Human Services	
REVIEWED BY: Jacob Leaver	DATE: 1/28/2021	PHONE: (402) 471-4173	
COMMENTS: The fiscal estimate provided by the Department of Health and Human Services seems reasonable given the assumptions used as a result of LB 349.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 349	AM:	AGENCY/POLT. SUB: State Patrol	
REVIEWED BY: Jacob Leaver	DATE: 02/03/2021	PHONE: (402) 471-4173	
COMMENTS: The fiscal estimate provided by the Nebraska State Patrol seems reasonable given the assumptions used.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 349	AM:	AGENCY/POLT. SUB: Department of Transportation	
REVIEWED BY: Jacob Leaver	DATE: 02/26/2021	PHONE: (402) 471-4173	
COMMENTS: No basis to disagree with the Department of Transportation's estimate of no fiscal impact to the agency as a result of LB 349			

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2021

LB⁽¹⁾ 349

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Department of Administrative Services (DAS) - Employee Relations - Enterprise

Prepared by: ⁽³⁾ Sean Davis Date Prepared: ⁽⁴⁾ 1/15/21 Phone: ⁽⁵⁾ 402-471-8292

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2021-22		FY 2022-23	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$226,476		\$226,476	
CASH FUNDS	\$103,681		\$103,681	
FEDERAL FUNDS	\$135,128		\$135,128	
REVOLVING FUNDS	\$13,787		\$13,787	
TOTAL FUNDS	\$479,072		\$479,072	

Explanation of Estimate:

LB 349 creates a new holiday in Neb. Rev. Stat. §§ 25-2221 and 62-301 entitled Birthday of El-Hajj Malik El-Shabazz, Malcom X Day, to be recognized on May 19th.

If this bill was passed as introduced, state teammates would receive the new state holiday as Neb. Rev. Stat. § 84-1001, which outlines state holidays, states that paid holidays include all days enumerated in section 25-2221.

Department of Administrative Services (DAS) Employee Relations would negotiate agreements with all four labor unions, NAPE/AFSCME, FOP 88, SLEBC and SCATA, to make the necessary adjustments to the Labor Contracts, websites, policy, and marketing material, all of which can be done with existing staff and resources.

The state would incur additional costs above a normal operating day as a result of state teammates working at a holiday pay rate as outlined in the applicable labor contract.

Below is a summary of the enterprise-wide fiscal impact. The estimate is based on the average cost of a holiday, from the cost per day of the most recent thirteen holidays – January 20, 2020 – January 1, 2021.

HOLIDAYS	WAGES PAID	PLUS - FICA & RETIREMENT
1.20.20	431,527.55	
2.17.20	448,279.63	
4.24.20	506,945.35	
5.25.20	428,493.67	
7.3.20	211,224.40	
9.7.20	398,488.21	
10.12.20	460,825.61	
11.11.20	453,017.77	
11.26.20	377,426.89	
11.27.20	438,023.62	
12.24.20	446,689.58	
12.25.20	390,143.44	
1.1.21	417,460.10	
Total	5,408,545.82	
Average per Holiday	\$416,042	\$63,030 = \$479,072

It is difficult to determine the exact impact by fund type as some Agencies/Programs are impacted more by additional holiday and benefit costs because of their need for 24/7 coverage. Future costs will also increase with salary increases. An increase in PSL (Personal Services Limitation) and appropriation would be required.

The table below summarizes the estimated impact by fund type of the increased enterprise-wide Salary expenditures. The allocation by fund type below is based on an average of Salaries (PSL) expenditures over a four-year period (2016-2019).

	FY21-22	FY22-23
	Expenditures	Expenditures
General Funds	\$226,476	\$226,476
Cash Funds	\$103,681	\$103,681
Federal Funds	\$135,128	\$135,128
Revolving Funds	\$13,787	\$13,787
Total Funds	\$479,072	\$479,072

LB 349 would also transition the \$4,113,461 in daily gross payroll expense from regular pay to holiday pay.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2021-22	2022-23
	<u>21-22</u>	<u>22-23</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
			\$416,042	\$416,042
Benefits			\$63,030	\$63,030
Operating				
Travel				
Capital outlay				
Aid				
Capital improvements				
TOTAL			\$479,072	\$479,072

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2021

LB⁽¹⁾ 349

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Education

Prepared by: ⁽³⁾ Joel Scherling Date Prepared: ⁽⁴⁾ 1/18/2021 Phone: ⁽⁵⁾ 402-471-4736

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2021-22</u>		<u>FY 2022-23</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Explanation of Estimate:

This bill would have no fiscal impact since staff would already be paid for a workday that becomes a holiday.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22</u>	<u>2022-23</u>
	<u>21-22</u>	<u>22-23</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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

2021

LB⁽¹⁾ 349

FISCAL NOTE

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

Prepared by: ⁽³⁾ Michael Justus Date Prepared: ⁽⁴⁾ January 14, 2021 Phone: ⁽⁵⁾ 402-472-7109

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2021-22</u>		<u>FY 2022-23</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

The bill would create a new holiday and would have only nominal fiscal impact on the University for changes to schedules, websites and contracts. The University would lose more than \$5 million in productivity.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22</u>	<u>2022-23</u>
	<u>21-22</u>	<u>22-23</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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

2021

LB⁽¹⁾ 349 – Establish New State Holiday May 19 (Malcolm X Day)

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Game and Parks Commission

Prepared by: ⁽³⁾ Christina Peters Date Prepared: ⁽⁴⁾ 1/19/2021 Phone: ⁽⁵⁾ (402) 471-5403

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2021-22</u>		<u>FY 2022-23</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

No Net Fiscal Impact.

The addition of a State Holiday in May affects the increased staffing costs at Park locations due to being during preparation of the busy summer camping season.

Using 50% of the 4-year average staffing figures from Independence Day, (as this will not be an additional Federal Day), an increase of 415 staffing hours would be expected. At the average 2020 cost per hour of Overtime pay (\$26.31), this would be an additional \$10,918.65 in staffing costs. (This is wages only, and does not include any benefits).

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22</u>	<u>2022-23</u>
	<u>21-22</u>	<u>22-23</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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 1-27-2021

Phone: (5) 471-6719

	<u>FY 2021-2022</u>		<u>FY 2022-2023</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$136,695		\$136,695	
CASH FUNDS	\$2,600		\$2,600	
FEDERAL FUNDS	\$10,400		\$10,400	
OTHER FUNDS				
TOTAL FUNDS	\$149,695		\$149,695	

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

Explanation of Estimate:

While the statutes referenced in the Bill do not, on their face, appear to implicate DHHS employees, NRS 84-1001 adopts by reference the list in NRS 25-2221. So, by application, DHHS would receive the additional paid holiday. Due to 24 hour facilities and other essential employees, the fiscal impact would consist of an additional day of holiday pay for these positions. Current single day holiday pay averages around \$130,000 plus FICA and retirement benefits.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:	POSITION TITLE	NUMBER OF POSITIONS		2021-2022	2022-2023
		21-22	22-23	EXPENDITURES	EXPENDITURES
				\$130,000	\$130,000
Benefits.....				\$19,695	\$19,695
Operating.....					
Travel.....					
Capital Outlay.....					
Aid.....					
Capital Improvements.....					
TOTAL.....				\$149,695	\$149,695

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

2021

LB⁽¹⁾ 349

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska State Patrol

Prepared by: ⁽³⁾ Carol Aversman Date Prepared: ⁽⁴⁾ 1/28/2021 Phone: ⁽⁵⁾ _____

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2021-22</u>		<u>FY 2022-23</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$32,979.31	_____	\$32,979.31	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>\$32,979.31</u>	_____	<u>\$32,979.31</u>	_____

Explanation of Estimate:

LB 349 provides for the addition of a holiday titled El Hajj Malik El Shabazz, Malcolm X Day on May 19. Passage of this bill could result in employees receiving an additional holiday if the terms of labor contracts are renegotiated. The current NAPE and SLEBC labor contracts expire on June 30, 2021. Contract negotiations have already been completed for the term of the new contract beginning July 1, 2021. Therefore, amendments would be required to add this as an additional paid holiday. For purposes of this fiscal note, the assumption has been made that such amendments would occur, and that the Agency would recognize and pay for additional costs that would be incurred from employees working on this additional holiday.

The amounts reflected in this fiscal note are the difference between paying employees at their regular rate of pay as compared to 1.5x their regular rate of pay, and in the case of overtime, at 2.0x their regular rate of pay. This includes an estimate based on historical hours worked on similar holidays for Troopers, Sergeant, Investigative Officers, investigative Sergeants, and Communications Specialists (dispatchers).

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22</u>	<u>2022-23</u>
	<u>21-22</u>	<u>22-23</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
State Patrol Troopers	_____	_____	\$27,114.46	\$27,114.46
State Patrol Communications Specialists	_____	_____	\$1,420.20	\$1,420.20
Benefits.....	_____	_____	\$4,444.65	\$4,444.65
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	<u>\$32,979.31</u>	<u>\$32,979.31</u>

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

2021

LB⁽¹⁾ 349

FISCAL NOTE

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

Prepared by: ⁽³⁾ Jenessa Boynton Date Prepared: ⁽⁴⁾ 2/24/2021 Phone: ⁽⁵⁾ 402-479-4691

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2021-22</u>		<u>FY 2022-23</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

LB 349 establishes the Birthday of El-Hajj Malik El-Shabazz, Malcolm X on May 19 as a holiday. Prior to May 19 of each year the Governor shall issue a proclamation inviting and urging the people of the State of Nebraska to observe El-Hajj Malik El-Shabazz, Malcolm X Day in schools and other suitable places with appropriate ceremony and fellowship.

No fiscal impact.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22</u>	<u>2022-23</u>
	<u>21-22</u>	<u>22-23</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____