

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *

	FY 2008-09		FY 2009-10	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	See Below		See Below	
CASH FUNDS	See Below		See Below	
FEDERAL FUNDS	See Below		See Below	
OTHER FUNDS				
TOTAL FUNDS				

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB963 provides that except for certain exemptions or if exempted by federal law, every agency or political subdivision of the State shall verify the lawful presence in the United States (U.S.) of any person who has applied for federal, state, or local public benefits. The exemptions are medical emergencies, emergency disaster relief and for the protection of the public's health.

Verification of lawful presence in the U.S. requires the applicant for benefits to execute an affidavit on a form prescribed by the Department of Administrative Services (DAS) stating that (1) he or she is a U.S. citizen; or (2) he or she is a qualified alien under the federal Immigration and Nationality Act. For any applicant who is a qualified alien, eligibility for benefits shall be verified through the Systematic Alien Verification for Entitlements Program.

For purposes of the act, federal, state or local public benefit means any grant, contract, loan, professional license, commercial license, retirement benefit, welfare benefit, health benefit, disability benefit, public or assisted housing benefit, postsecondary education benefit, food assistance benefit, or unemployment benefit or any other similar benefit provided by or for which payments or assistance are provided.

Each state agency that administers any program of federal, state, or local public benefits is to provide an annual report to the Governor and the Clerk of the Legislature.

LB963 also repeals in-state tuition at public postsecondary institutions for illegal aliens that graduated from a public or private high school or received the equivalent of a high school diploma in this state and has resided in the state for at least 3 years.

Technical note. The Employment Eligibility Verification Form I-9 as mandated by the Immigration Reform and Control Act of 1986 requires every employee to attest to citizenship or alien authorized to work. It is unclear whether or not LB963 would duplicate this requirement for retirement benefits, health benefit and disability benefits.

Following is a summary of agencies' responses.

Agency	FY2008-09	FY2009-10	Rationale
NDE Voc. Rehab.	3,622 Gen 13,385 Fed	3,695 Gen 13,652 Fed	Staff time.
Public Service Commission	0	0	Minimal impact.
Dep't. of Labor	88,743 Gen	61,327 Gen	Administrative costs.
Health and Human Services			Did Not Respond.
Game and Parks	NA	NA	No public benefits as defined.
Coordinating Commission for PSE	1,200 Gen	0	Minimal to change rules and regs.
State Colleges			Increase revenue for out-of-state tuition
University	1,645,400 Gen	872,400 Gen	Additional staff and operating costs.
Department of Administrative Svs.			Did Not Respond
Equal Opportunity Commission	42,467 Gen	40,967 Gen	Additional staff
Community Colleges			Increase costs.
Retirement	123,986 Cash	96,986 Cash	Additional staff

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Mike Salzwedel	DATE	2/25/08	PHONE	471-2526
COMMENTS					
<p>NEBRASKA COMMUNITY COLLEGE ASSOCIATION: The expected impact is anticipated to be minimal.</p>					
<p>DEPARTMENT OF EDUCATION/VOCATIONAL REHAB: There will be a minimal increase in paperwork, however, additional costs associated should be able to be covered with existing appropriation authority.</p>					
<p>NEBRASKA EQUAL OPPORTUNITY COMMISSION: The expected impact should be minimal. There may be increased workload due to increased filings as identified but to what extent is not known. Additionally, the benefits identified for the 1 FTE appear excessive.</p>					
<p>GAME AND PARKS COMMISSION: Agree with agency review.</p>					
<p>DEPARTMENT OF LABOR: No basis to dispute needs for system updates. It is currently unclear if affidavits may be executed electronically which would significantly reduce ongoing operating needs.</p>					
<p>PUBLIC SERVICE COMMISSION: Concur.</p>					
<p>COORDINATING COMMISSION FOR POSTSECONDARY EDUCATION: The expected impact is anticipated to be minimal.</p>					
<p>NEBRASKA EMPLOYEES' RETIREMENT SYSTEM: There may be a need for programming changes, however, any updates could be combined in with other updates scheduled, lessening the cost.</p>					
<p>There may be minimal paperwork increases from LB 963, however, the need for 2 new FTE appears unnecessary. Additionally, benefits associated with FTEs also appear excessive.</p>					
<p>NEBRASKA STATE COLLEGE SYSTEM: Minimal fiscal impact.</p>					
<p>UNIVERSITY OF NEBRASKA: While an increase in paperwork is assumed, the impact estimated by the University appears excessive. LB 963 would require a signed affidavit in order to receive benefits as listed in Section 2 of the bill. Verification of lawful presence is required only if they attest that they are a qualified alien as prescribed in Section 4(2). From the University narrative, it appears that they are assuming a need for an affidavit above and beyond what is indicated in the bill. The University did not provide detailed estimate of where the additional staff would be needed, therefore, an accurate estimate of their needs is not available at this time.</p>					