

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2018-19		FY 2019-20	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	\$70,000	220	\$7,500	220
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$70,000	220	\$7,500	220

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

This bill sets out a process by which both the biological mother and the birth mother are recorded on birth certificates. The Department of Health and Human Services would develop the forms needed.

The Department of Health and Human Services estimates that a half-time attorney would be needed to develop the forms and provide guidance. Although legal assistance would be needed for form development and guidance, the department also estimates that only 11 births a year would fall under the provisions of this bill. Once the initial guidance is developed, there would be little ongoing need for an attorney. The form development and initial guidance would be the most time consuming. This could be contracted at an estimated cost of \$20,000 (100 hours at \$200 an hour). The Department indicates that they are required per their contract agreement with the vendor to pay \$50,000 for every new “event” and \$7,500 for ongoing maintenance costs. Although this seems excessive to add a few additional pieces of information to birth certificates, it may be needed to appropriately record and maintain the records.

The Department is authorized to charge a nominal fee. The fee would be \$20 and would generate revenue of \$220 annually. Although the fees fall short of covering costs, the costs would be paid for from the Health and Human Services Cash Fund. Section 71-612(4) states that the fees collected for birth records “. . . shall be used for the purpose of administering the laws relating to vital statistics.”

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 795	AM:	AGENCY/POLT. SUB: Department of Health and Human Services (DHHS)
REVIEWED BY: Elton Larson	DATE: 1/29/2018	PHONE: (402) 471-4173
COMMENTS: DHHS analysis and estimate of fiscal impact to the department appear reasonable.		

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>
GENERAL FUNDS	\$99,120		\$56,620	
CASH FUNDS	\$220	\$220	\$220	\$220
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$99,340	\$200	\$56,840	\$200

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

Explanation of Estimate:

On the occasion of an in-hospital birth of a child to a non-biological mother, LB 795 would require the person in charge of the hospital or their designee to provide the child’s biological mother and birth mother with documents and written instructions for completing a notarized acknowledgement of maternity. An acknowledgement signed by both parties and notarized shall be filed with the Department in conjunction with the filing of certificate of live birth.

The Department would be required to prepare the form for acknowledgement of maternity. The Department must include instructions for completion and filing if it is not provided concurrently with the filing of the certificate of live birth. The Department would prepare and retain a reproduction of acknowledgement forms, which when certified and approved would serve as original records.

LB 795 stipulates the Department shall enter the name of the biological mother on the birth certificate of any child for whom the preceding conditions apply.

The department would be authorized to adopt and promulgate rules and regulations to establish a nominal payment and procedure for payment for each acknowledgment filed with the department. Additional legal services associated with the development and ongoing implementation of forms, rules, and regulations under LB 795 would result in need for an estimated 0.5 FTE Attorney II (Program 261).

The provisions of LB 795 would create a new “event” in the Vital Records management system. Under the current contractual agreement with the system provider, adding a new event would create a \$50,000 one-time cost to the Department and \$7,500 in ongoing annual maintenance costs (Program 262).

The Department would need to update rules and regulations related to the mother’s worksheet for new births, as well as for amending existing birth records.

LB 795 would authorize the Department to establish a “nominal payment” for each acknowledgement filed. This is estimated at \$20. Fee revenue will be insufficient to cover increased operating costs as a result of the bill. The balance of the fiscal impact to LB 795 is written as general funds.

The Department estimates approximately 11 gestational surrogate births annually in Nebraska based on the following:

U.S. Total Births 2015 ¹	3,978,497
Nebraska Total Births 2015 ¹	26,679
NE % of total births	0.6706%
U.S. Total ART Births 2015 ²	65,787
Estimated Nebraska ART Births 2015	441.15
Gestational Carrier Cycle % of ART ³	2.5%
Estimated Nebraska Gestational Surrogate Births	11.03

¹National Vital Statistics Reports Volume 66, Number 1 (2017)

²Society for Assisted Reproductive Technology Preliminary 2015 Report (2017)

³Trends and outcomes of gestational surrogacy in the United States, Fertility and Sterility, American Society for Reproductive Medicine (2016)

ART: Assisted Reproductive Therapy

MAJOR OBJECTS OF EXPENDITURE				
PERSONAL SERVICES:				
POSITION TITLE	NUMBER OF POSITIONS		2018-2019 EXPENDITURES	2019-2020 EXPENDITURES
	18-19	19-20		
Attorney II	0.5	0.5	\$28,312	\$28,312
Benefits.....			\$8,898	\$8,898
Operating.....			\$62,130	\$19,630
Travel.....				
Capital Outlay.....				
Aid.....				
Capital Improvements.....				
TOTAL.....			\$99,340	\$56,840