

Revised based on amendments adopted through 7-20-20

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>				
	<b>FY 2020-21</b>		<b>FY 2021-22</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

This bill requires the Department of Health and Human Services (DHHS) to hire a superintendent of schools to administer the education programs at the youth rehabilitation and treatment centers on or before August 1, 2020. The bill also requires that the educational services provided to youth committed to the Office of Juvenile Services meet the requirements for an interim-program school, an approved school or an accredited school.

The Department intends to hire a superintendent of schools for the YRTCs within their current appropriation. Section 2 requires the YRTC schools by December 1, 2020, to meet one of the following: interim-program school, an approved school or an accredited school. The schools at the YRTCs are accredited under Rule 10 which would comply with this section. The department intends to hire a superintendent within existing agency resources.

As amended, the bill assigns the authority for daily maintenance, minor repairs, custodial duties and operations of the properties to the Department of Health and Human Services. The employees would continue to be under the Department of Administrative Services, but work under the direction of DHHS.

This bill requires the Office of Juvenile Services (OJS) within the Department of Health and Human Services to utilize evidence-based and validated risk and needs assessments and evidence-based services at the youth rehabilitation and treatment centers. The agency has indicated they are in compliance with these provisions, so these requirements do not have a fiscal impact.

The bill also requires that beginning on July 1, 2021, as long as the department operates the YRTC- Kearney, it will only be used for the treatment of boys and as long as the department operates the YRTC – Geneva, it will only be used for treatment of girls. For any other facility operated as an YRTC, the department is required to ensure safe and appropriate gender separation. An exception is made in the event of an emergency.

Currently the YRTC – Kearney has boys and girls residing on the campus. Last August girls from the YRTC – Geneva were moved to the YRTC – Kearney. The agency subsequently developed a plan where girls would initially be placed on the Kearney campus; the Geneva YRTC would only be used for girls transitioning out of the program and leased space at the Lancaster Detention Center would be used for higher need youth of both sexes, but in separate parts of the building.

The agency announced a new plan on July 15, 2020. In October 2020, under the new plan, the YRTC – Geneva would close. Girls would be placed in a newly renovated 24-bed space at the Hastings Regional Center that was intended to serve boys with high needs who had been committed to the YRTC – Kearney. A state-owned facility in Lincoln at Whitehall will house the boys originally to be served in Hastings. Additional modifications to the Hastings facility to accommodate girls is \$196,000.

Since October 2019, the maximum census of girls committed to the YRTC during a month was 27; the lowest number within a month was 18 girls. The YRTC – Geneva has a capacity of 20 beds and the space in Lincoln has room for 10 girls.

The agency's fiscal note states a new facility with a capacity of 40 would need to be built on the Geneva campus. The only capacity difference for girls between the plan the agency unveiled on July 15<sup>th</sup> and the current capacity at the YRTC – Geneva is four beds. A new 40-bed facility is not needed.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 1188 AM: 2736 & 2769	AGENCY/POLT. SUB: Administrative Services (DAS)	
REVIEWED BY: Elton Larson	DATE: 5/15/2020	PHONE: (402) 471-4173
COMMENTS: No basis to disagree with DAS estimate of expenditure and revenue impact.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 1188 AM:	AGENCY/POLT. SUB: Department of Education	
REVIEWED BY: Elton Larson	DATE: 1/30/2020	PHONE: (402) 471-4173
COMMENTS: No basis to disagree with Department of Education analysis and estimate of no fiscal impact to Department of Education.		

**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 7-20-2020

Phone: (5) 471-6719

	<u>FY 2020-2021</u>		<u>FY 2021-2022</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
<b>GENERAL FUNDS</b>	\$12,000,000			
<b>CASH FUNDS</b>				
<b>FEDERAL FUNDS</b>				
<b>OTHER FUNDS</b>				
<b>TOTAL FUNDS</b>	\$12,000,000			

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

Explanation of Estimate: LB 1188 as amended by AM3069 and AM3099 remove many sections of statute that are outdated or obsolete.

The amendments would require the Department to hire 1 FTE Superintendent to administer education at the YRTC's by December 1, 2020. The Department, as part of its current business plan, intends to hire this position as soon as possible using its current appropriation.

Based on the above assumptions, this portion of AM3069 and AM 3099 would have no impact to the Department of Health and Human Services.

The amendments require the Department use evidence-based practices, policies, procedures and services. The Department already does this, and does not limit family visits except for safety and security reasons, and this is very rare. Therefore, these requirements would have no fiscal impact for the Department.

The amendments call for the YRTC-Geneva facility be for girls only and YRTC-Kearney be for boys only by July 2021 and any other facility used by the Department ensure safe and appropriate gender separation. The only exception would be during times of emergency as defined in the bill.

The current capacity of the Geneva Campus is 20. However, within the last 18 months, the census of females has been as high as 40. In order to accommodate additional girls at Geneva, a new facility would be necessary. Based on construction costs for buildings similar to the Geneva LaFlesche building, DHHS estimates the cost would be \$12,000,000 to expand capacity by another 20 beds.

**MAJOR OBJECTS OF EXPENDITURE**

PERSONAL SERVICES:	POSITION TITLE	NUMBER OF POSITIONS		2020-2021	2021-2022
		20-21	21-22	EXPENDITURES	EXPENDITURES
Benefits.....					
Operating.....					
Travel.....					
Capital Outlay.....				\$12,000,000	
Aid.....					
Capital Improvements.....					
<b>TOTAL.....</b>				<b>\$12,000,000</b>	

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

**2020**

**LB<sup>(1)</sup> 1188 AM 2736 AM 2769**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Department of Administrative Services (DAS) - State Building Division

Prepared by: <sup>(3)</sup> John Heacock Date Prepared: <sup>(4)</sup> March 24, 2020 Phone: <sup>(5)</sup> 402-471-0428

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2020-21</u>		<u>FY 2021-22</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
REVOLVING FUNDS	_____	_____	(\$797,270)	(\$797,270)
<b>TOTAL FUNDS</b>	<b>=====</b>	<b>=====</b>	<b>(\$797,270)</b>	<b>(\$797,270)</b>

**Explanation of Estimate:**

LB 1188 AM 2736 AM provisions include that the Department of Health and Human Services (DHHS) shall be responsible for administration of any public building where a juvenile committed to the Office of Juvenile Services for placement at a youth rehabilitation and treatment center resides, to include all daily maintenance, minor repairs, custodial duties, and operations of such properties.

The Department of Administrative Services (DAS) will be responsible for the structural integrity, major repairs, capital improvements, and necessary procurement of contractors and materials to carry out such responsibilities at the youth rehabilitation and treatment centers. DAS will also be responsible for all other facility maintenance functions which are not the responsibility of the DHHS.

The bill also clarifies DHHS shall have oversight and general control of Youth Rehabilitation and Treatment Center-Geneva (YRTC-Geneva), the Youth Rehabilitation and Treatment Center-Kearney (YRTC-Kearney), and any other facility operated and utilized as a youth rehabilitation and treatment center under state law.

AM 2769 provides beginning July 1, 2021, YRTC-Kearney shall be used for the treatment of boys only; and YRTC-Geneva shall be used for the treatment of girls only. For any other facility utilized for the same purpose, DHHS is to ensure safe and appropriate gender separation. In the case of an emergency (fire, flood, tornado, natural disaster, or damage to institution that renders it uninhabitable) either institution may be used for the treatment of both genders for up to seven days.

Maintenance staff at the Kearney and Geneva YRTC's was transferred from DHHS to the DAS – State Building Division effective July 1, 2019. Returning the administration duties to DHHS would requires those thirteen (13) FTE's to be transferred back to DHHS, reducing SBD's appropriation, including Personal Service Limitations (PSL) and the cost of benefits. There would also be a corresponding decrease in the rental amount billed to DHHS for the YRTC facilities.

Based on the budget request for FY21-22, when the maintenance staff was moved over to DAS – State Building Division, the salaries and benefits for those thirteen (13) employees would equal approximately \$797,270 in FY21-22. This included salary and benefit increases.

Rental income from DHHS to DAS – State Building Division will continue to cover the costs of operations for those facilities thereby assuring that the rent surcharge will continue for funding 309 Task Force Projects.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2020-21</u> <u>EXPENDITURES</u>	<u>2021-22</u> <u>EXPENDITURES</u>
	<u>20-21</u>	<u>21-22</u>		
		(13)		(\$490,554)
Benefits.....				(\$306,716)
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				(\$797,270)

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

**2020**

**LB<sup>(1)</sup> 1188**

**FISCAL NOTE**

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

Prepared by: <sup>(3)</sup> Brad Dirksen Date Prepared: <sup>(4)</sup> 01/28/2020 Phone: <sup>(5)</sup> 402-471-2405

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2020-21</u>		<u>FY 2021-22</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	=====	=====	=====	=====

**Explanation of Estimate:**

Requires the Office of Juvenile Services to create a position of superintendent for the Youth Rehabilitation and Treatment Center-Kearney and the Youth Rehabilitation and Treatment Center – Geneva. Office of Juvenile Services would be required to hire an individual meeting the qualifications of superintendent as outlined in NDE Rule 21 and 24 and fill the position whenever a vacancy occurs.

No financial impact on the Nebraska Department of Education. Unknown costs for the Office of Juvenile Services depending upon implementation.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2020-21</u>	<u>2021-22</u>
	<u>20-21</u>	<u>21-22</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....			_____	_____
Operating.....			_____	_____
Travel.....			_____	_____
Capital outlay.....			_____	_____
Aid.....			_____	_____
Capital improvements.....			_____	_____
<b>TOTAL.....</b>			=====	=====