

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

Updated to include the responses of the Department of Health and Human Services and the Department of Correctional Services.

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2019-20		FY 2020-21	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	482,946		642,914	
CASH FUNDS	200,000		0	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	682,946		642,914	

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

This bill, as amended by AM1737, strikes the original provisions of LB686, and combines portions of seven bills. The seven bills include LB91 addressing deferred judgement and probation, LB233 regarding cell phones or other devices in correctional facilities, LB240 about mental competency to stand trial, LB262 addressing the long-term restrictive housing work group, LB684 and LB90 changing post-release supervision for Class IV felonies, and LB739 modifying restrictive housing provisions.

The Legislative Council estimates no significant impact from this bill, as amended by AM1737.

The Supreme Court states that additional programming and modification of the Probation and Court case management systems would be required by provisions of AM1737 relating to deferred judgments (LB91).

The Supreme Court states that changes to the Probation case management system are currently General Funded, and changes to the Court case management system are currently Cash Funded.

They estimate \$75,000 General Funds for changes to the Probation case management system, and \$125,000 Cash Funds for changes to the Court case management system.

This fiscal note shows the entire \$200,000 coming from Cash Funds.

The Supreme Court states that the impact regarding changes to post-release supervision is indeterminate at this time.

See the Supreme Court's response attached for additional details not included in this fiscal note.

The Board of Parole estimates no significant impact from this bill, as amended by AM1737.

The Department of Correctional Services states that there could be a possible fiscal impact from this bill as amended by AM1737, but any impact is indeterminable at this time.

AM1737 contained provisions of LB240, a bill that changes provisions related to determining the competency of an individual to stand trial. Currently, after a hearing when a judge determines that a defendant is mentally incompetent to stand trial, the judge can order a person to be treated at a state hospital for the mentally ill or appropriate state-owned or state-operated facility until the disability is removed. The bill expands the allowable settings for such treatment to include a contract facility or provider pursuant to an alternative treatment plan proposed by the department and approved by the court. The Department of Health and Human Services (HHS) is to file a report with the court seeking approval to treat the individual in one of these types of settings.

Competency Restoration: The fiscal note prepared by HHS appears reasonable. The department will require additional funds to conduct the restoration of competency to stand trial for individuals in the settings allowed by the bill that are outside of the Lincoln Regional Center. HHS estimates it will hire 4.5 staff (Psychologist, Master Social Worker, Mental Health Practitioner, Staff Assistant, and 0.5 Nurse Practitioner) to provide treatment services for individuals in the eastern part of the state in other facilities or in outpatient settings. Increased general fund expenditures will be \$398,403 for ten months in FY2019-20 and \$531,202 in FY2020-21.

The department will contract to provide treatment for individuals in the middle and western parts of the state. HHS estimates there may be six individuals each year from these parts of the state who would need competency restoration. The estimated cost to contract for treatment is \$84,543 of general funds in FY20 and \$111,712 in FY21.

Future Potential Savings: There is currently a waiting list of 39 persons for court-ordered placements at the regional center. The provision of competency restoration for some persons in an outpatient setting, rather than the regional center, may reduce general fund expenditures at some point in the future when there are no longer any waiting lists at the regional center.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 686	AM: 1737	AGENCY/POLT. SUB: Nebraska Legislative Council (003)
REVIEWED BY: Joe Wilcox	DATE: 05/15/2019	PHONE: (402) 471-4178
COMMENTS: No basis to dispute the Nebraska Legislative Council estimate of No significant Fiscal Impact to the Agency from LB 686, as amended by the Judiciary Committee Amendment – AM 1737, which incorporates provisions of seven other bills into LB 686.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 686	AM: 1737	AGENCY/POLT. SUB: Nebraska Supreme Court (005)
REVIEWED BY: Joe Wilcox	DATE: 05/15/2019	PHONE: (402) 471-4178
COMMENTS: No basis to dispute the Nebraska Supreme Court estimate of potential Fiscal Impact to the Agency from LB686, as amended by the Judiciary Committee Amendment – AM 1737, which incorporates provisions of seven other bills into LB 686.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 686	AM: 1737	AGENCY/POLT. SUB: Nebraska Board of Parole (015)
REVIEWED BY: Joe Wilcox	DATE: 05/15/2019	PHONE: (402) 471-4178
COMMENTS: The Nebraska Board of Parole fiscal note on LB 686 estimates no significant Fiscal Impact to the Agency from LB 686, as amended by the Judiciary Committee Amendment – AM 1737. Any impact to the Board of Parole would depend on the steps required to be taken in the event such an emergency is declared.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 686	AM: 1737	AGENCY/POLT. SUB: Nebraska Department of Health and Human Services (025)
REVIEWED BY: Joe Wilcox	DATE: 05/20/2019	PHONE: (402) 471-4178
COMMENTS: Do not disagree with the Nebraska Department of Health and Human Services estimate of potential Fiscal Impact to the Agency from LB 686, as amended by the Judiciary Committee Amendment – AM 1737.		

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2019

LB⁽¹⁾ 686 (AM1737)

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ 03 LEGISLATIVE COUNCIL

Prepared by: ⁽³⁾ DIANE NICKOLITE Date Prepared: ⁽⁴⁾ 5/15/2019 Phone: ⁽⁵⁾ 402-471-2226

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2019-20</u>		<u>FY 2020-21</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>

Explanation of Estimate:

No significant fiscal impact.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2019-20</u>	<u>2020-21</u>
	<u>19-20</u>	<u>20-21</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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2019

LB⁽¹⁾ 686, AM1737

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ 05 Supreme Court

Prepared by: ⁽³⁾ Eric Asboe Date Prepared: ⁽⁴⁾ 5/15/19 Phone: ⁽⁵⁾ 1-4138

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2019-20</u>		<u>FY 2020-21</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>75,000</u>	<u> </u>	<u> </u>	<u> </u>
CASH FUNDS	<u>125,000</u>	<u> </u>	<u> </u>	<u> </u>
FEDERAL FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
OTHER FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u><u>200,000</u></u>	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>

Explanation of Estimate:

LB686, as amended by AM1737, continues the fiscal impact of bills incorporated into the amendment:

1. From LB91, regarding deferred judgment, additional programming and modification of Probation (currently General Funded) and Court (currently Cash Funded) case management systems would be required. Short-term impact: even with additional funding and spending authority, given current infrastructure and project requirements, Judicial Branch IT would not be able to complete programming, by the current operative date. Long term impact: problem-solving courts, judicial workload, and Probation resources may be effected, but the impact is indeterminate at this time.
2. From LB90, regarding post-release supervision (PRS), the impact on judicial, court and Probation resources is indeterminate, at this time. Since release from PRS is currently within a judge's discretion, the effect of making PRS optional is difficult to project. In addition, since the overall number on probation continues to increase, what effect any potential future decrease in PRS clients would have on Probation is unknown.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2019-20</u>	<u>2020-21</u>
	<u>19-20</u>	<u>20-21</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Operating.....	<u> </u>	<u> </u>	<u>200,000</u>	<u> </u>
Travel.....	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Capital outlay.....	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Aid.....	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Capital improvements.....	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL.....	<u><u> </u></u>	<u><u> </u></u>	<u><u>200,000</u></u>	<u><u> </u></u>

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2019

LB⁽¹⁾ 686, AM 1737

FISCAL NOTE

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

Prepared by: ⁽³⁾ Rosalyn Cotton Date Prepared: ⁽⁴⁾ May 14, 2019 Phone: ⁽⁵⁾ 402-479-5731

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2019-20</u>		<u>FY 2020-21</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 significant impact on budget related to LB 686, AM 1737.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2019-20</u>	<u>2020-21</u>
	<u>19-20</u>	<u>20-21</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.

2019

LB⁽¹⁾ 686 AM 1737

FISCAL NOTE

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

Prepared by: ⁽³⁾ Sara Sump Date Prepared: ⁽⁴⁾ 5/20/19 Phone: ⁽⁵⁾ 402.479.5702

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2019-20</u>		<u>FY 2020-21</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:

NDCS understands there could be possible fiscal impact with the passage of LB 686 AM 1737 but is indeterminable at this time.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2019-20 EXPENDITURES</u>	<u>2020-21 EXPENDITURES</u>
	<u>19-20</u>	<u>20-21</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 5-14-19

Phone: (5) 471-6719

	<u>FY 2019-2020</u>		<u>FY 2020-2021</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$482,946		\$642,914	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$482,946		\$642,914	

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

Explanation of Estimate:

LB 686, as amended, includes provisions that the Department of Health and Human Services (DHHS) may expand provisions and potentially conduct competency restoration of individuals (defendants). This would expand the competency restoration that is being conducted at the Lincoln Regional Center to areas outside of the facility. DHHS will begin to expand the network in phases to provide competency restoration across the state which will minimize the upfront fiscal impact to DHHS. Once the Department is prepared to fully implement the expansion, DHHS will need to hire additional staff or contract for restoration services.

It is estimated that each competency restoration case would cost approximately \$47,491 per case. It is estimated that there will be 20 new cases per year. If DHHS would contract the entire amount out, the estimated costs would be \$949,829 in GF.

In the alternative to contracting out the entire restoration network, DHHS may implement a hybrid system. DHHS would contract out for restoration services in central and western Nebraska. DHHS estimates six individuals each year from these parts of the state who would need competency restoration. The estimated cost to contract for treatment is \$84,543 of general funds in FY20 and \$111,712 in FY21. The contract costs are included in the operating costs for LB 686.

In eastern Nebraska, DHHS would hire staff to conduct restoration services. DHHS would hire 4.5 staff (Psychologist, Master Social Worker, Mental Health Practitioner, Staff Assistant, .5 Nurse Practitioner) starting October 1, 2019 to provide treatment services for individuals in the eastern part of the state in other facilities or in outpatient settings. Increased general fund expenditures will be \$398,403 in FY2019-20 and \$531,202 in FY2020-21.

DHHS will continue to expand provider networks to determine the most impactful and cost effective competency restoration for any individuals that are committed to DHHS care by a judge.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:	POSITION TITLE	NUMBER OF POSITIONS		2019-2020	2020-2021
		19-20	20-21	EXPENDITURES	EXPENDITURES
	D75350 Nurse Practitioner	0.375	0.5	\$41,360	\$55,146
	N74823 Psychologist/Licensed	0.75	1	\$78,624	\$104,832
	C72342 Certified Master Social Worker	0.75	1	\$41,278	\$55,037
	H72432 Mental Health Practitioner	0.75	1	\$33,579	\$44,772
	S01842 Staff Assistant II	0.75	1	\$31,286	\$41,714
	Benefits.....			\$74,328	\$99,104
	Operating.....			\$182,491	\$242,309

