

PREPARED BY: Suzanne Houlden
 DATE PREPARED: January 19, 2022
 PHONE: 402-471-0057

LB 870

Revision: 00

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2022-23		FY 2023-24	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
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.

LB870 includes language to pay attorney’s fees associated with appearances by agency legal counsel or other legal counsel hired to represent the agency, official, or employee before any tribunal. It also adds language where state agencies with insufficient funding must provide documentation of such insufficient funds to the Risk Manager. Further, the bill would allow for payment of reasonable costs and attorney’s fees from the State Self-Insured Liability Fund should a claim arise from the inability of the Attorney General to represent an agency due to a conflict of interest.

Attorney fees would be paid with existing appropriation and fund balances. While a precise fiscal impact cannot be determined, if existing balances are insufficient, amounts to cover those would need to be included in the annual claims bill.

The State Self-Insured Indemnification Fund, 58930, was established per section 81-8,239.02 (3) and is active. The State Self-Insured Liability Fund was established per 81-8,239.02 (4), but has not yet been set up in the accounting system with a fund code.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 870	AM:	AGENCY/POLT. SUB: Dept. of Administrative Services – Risk Management Div.	
REVIEWED BY: Kimberly Burns	DATE: 01/19/2022	PHONE: (402) 471-4171	
COMMENTS: No basis to dispute the Department of Administrative Services Risk Management Division’s assessment that any fiscal impact could be paid with existing appropriation and fund balances.			

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

2022

LB⁽¹⁾ 870

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Dept of Administrative Services (DAS) – Risk Management Division

Prepared by: ⁽³⁾ Allen Simpson Date Prepared: ⁽⁴⁾ 1/11/2022 Phone: ⁽⁵⁾ (402)471-4436

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2022-23</u>		<u>FY 2023-24</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 870 includes language to pay attorney’s fees associated with appearances by agency legal counsel or other legal counsel hired to represent the agency, official, or employee before any tribunal. In addition, it adds language where state agencies with insufficient funding must provide documentation of such insufficient funds to the Risk Manager.

In addition, the bill includes language to pay reasonable costs and attorney’s fees from the State Self-Insured Liability Fund if the claim results from the inability of the Attorney General to represent an agency, official, or employee due to a conflict of interest.

Attorney fees will be paid with existing appropriation and fund balances. Insufficient balances would require amounts to be included in the annual claims bill.

Currently, there is no appropriation or funding mechanism for the State Self-Insured Liability Fund.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2022-23</u>	<u>2023-24</u>
	<u>22-23</u>	<u>23-24</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____