

PREPARED BY: Kenneth Boggs  
 DATE PREPARED: January 11, 2023  
 PHONE: 402-471-0050

**LB 187**

Revision: 00

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>				
	<b>FY 2023-24</b>		<b>FY 2024-25</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS	\$25,000			
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$25,000</b>			

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

LB 187 states that at the commencement of any eviction proceeding, the court shall appoint counsel for the tenant unless the tenant is already represented by counsel. The tenant may waive court-appointed counsel or retain the tenant’s own counsel. The cost of any court-appointed counsel shall be paid by the county.

Counsel appointed pursuant to this section shall apply to the court before which the proceedings were had for fees for services performed. The court, upon hearing the application, shall fix reasonable fees. The county board of the county where the proceedings were had shall allow the account, bill, claim presented by any attorney for such services in the amount determined by the court. No such account, bill or claim shall be allowed by the county board until the amount has been determined by the court.

By July 1, 2024, the Supreme Court shall provide guidelines setting forth standards for all attorneys appointed pursuant to this section. The Supreme Court shall periodically review and maintain such standards.

**Expenditures:**

LB 187 would impact the Supreme Court case management system (JUSTICE) and have one-impact of \$25,000 in fiscal year 2023-24. The impact of LB 187 is due to the agency having to programing JUSTICE to issue one type of summons for Douglas and Lancaster counties along with remaining counties.

The Supreme Court would have an increase in Judicial workload, due to appointing counsel as well as reviewing and fixing fees for their expenses will increase judicial time and workload. The amount is indeterminate at this time.

The agency will also have an impact due to creating Attorney guidelines which will have a minimal fiscal impact.

Costs for court-appointed counsel are paid by the county, which will increase costs for counties.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>		
<b>LB: 187</b>	<b>AM:</b>	<b>AGENCY/POLT. SUB: Nebraska Supreme Court (005)</b>
REVIEWED BY: Joe Wilcox	DATE: 03/02/2023	PHONE: (402) 471-4178
COMMENTS: No basis to dispute the Nebraska Supreme Court estimate of Potential Fiscal Impact to the Agency from LB 187.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
<b>LB: 187</b>	<b>AM:</b>	AGENCY/POLT. SUB: <b>Douglas County</b>
REVIEWED BY: Joe Wilcox	DATE: 01/30/2023	PHONE: (402) 471-4178
COMMENTS: No basis to dispute the Douglas County estimate of Potential Fiscal Impact to the County from LB 187.		

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

**2023**

**LB<sup>(1)</sup> 187**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> 05 Supreme Court

Prepared by: <sup>(3)</sup> Eric Asboe Date Prepared: <sup>(4)</sup> 3/1/2023 Phone: <sup>(5)</sup> 402-326-9215

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

	<u>FY 2023-24</u>		<u>FY 2024-25</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	See below			
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

**Explanation of Estimate:**

LB187 would have the following impact:

1. JUSTICE modification. The court case management system will need to be programmed to issue one type of summons for Douglas and Lancaster counties and another for the remaining counties. Estimated FY23-24 one-time impact: \$25,000. To sustain the Automation Cash Fund, this would be a General Fund expense.
2. Judicial workload. Appointing counsel as well as reviewing and fixing fees for their expenses will increase judicial time and workload. A reasonable estimate of the impact on only two counties cannot be determined at this time.
3. Attorney guidelines. Minimal fiscal impact to develop guidelines.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2023-24</u>	<u>2024-25</u>
	<u>23-24</u>	<u>24-25</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.

**2023**

**LB187**<sup>(1)</sup> *Require appointment of counsel for tenants in eviction proceedings in counties containing a city of the metropolitan class or primary class*

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> DOUGLAS COUNTY, NEBRASKA

Prepared by: <sup>(3)</sup> Marcos San Martin, County Administration Date Prepared: <sup>(4)</sup> 1/27/2023 Phone: <sup>(5)</sup> 402.444.5116

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

	<u>FY 2023-24</u>		<u>FY 2024-25</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>≈ \$1.25M+ NEW COST</u>	<u>N/A</u>	<u>≈ \$1.25M+ NEW COST</u>	<u>N/A</u>

Explanation of Estimate:

**NEGATIVE (DETRIMENTAL) FISCAL IMPACT TO DOUGLAS COUNTY**

LB187 creates a significant cost-mandate to counties by requiring a county to appoint and pay for the cost of counsel for individuals in eviction hearings.

In Douglas County, in a typical year, approximately ≈5000 cases are eviction/eviction-related proceedings. We will assume/anticipate the hourly rate of appointed-counsel to be between \$85 - \$100 per hour in 2023, 2024.

Based on the estimates above, if all individuals with a pending eviction action chose free court-appointed counsel instead of paying privately for counsel, along with only 2.5 billable hours of time per case, the County would incur a mandated cost of at least an additional \$1.25 million dollars (\$1,250,000) annually – just in appointed counsel cost.

In addition, as a consequence of LB187, Douglas County will likely experience significant related costs as well. For example, in anticipation of an increase in contested hearings and to comply with statutory timelines, additional judges, support staff and/or expanded space/facilities may all be required.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
	_____	_____		
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

