

Revised to reflect AM3100 & AM3151

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2024-25		FY 2025-26	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$2,770,810		\$2,770,810	
CASH FUNDS	\$691,778		\$671,778	
FEDERAL FUNDS	\$117,465		\$117,465	
OTHER FUNDS	\$11,427		\$11,427	
TOTAL FUNDS	\$3,591,480		\$3,571,480	

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

AM3100 amends §81-2026 & §81-2107 to eliminate the changes to the surviving spouse benefits & eliminates changes to the Cost of Living Adjustment provisions (Section 3 - Tier I employees & Section 4 - Tier II employees) & addresses the contribution rates for State Patrol retirement system members & the state, as employers, by decreasing the patrol members contribution & increasing the State's contribution. Beginning July 1, 2024, the member contribution is reduced to 10% from the current 17% (for Patrol members hired after 7/1/26) or 16% (members hired prior to 7/1/16) & adds language that increases the State/employer contribution rate from 17% to 24%.

AM3151 amends §81-8, 318 to extend the ability to receive compensation under the In the Line of Duty Compensation Act, a claim for the compensation will be filed with the Risk Manager within three years after the date of death of the public safety officer who was killed in the line of duty for any claim arising on or after January 1, 2022.

LB196 amends several statutes to change the provisions relating to the Nebraska State Patrol Retirement System & benefits provided upon the death of an officer after their retirement & an annual benefit adjustment.

Upon the death of an officer after retirement for reasons other than disability, benefits will be provided as a percentage of the amount of the officer's annuity; the percent of benefit to surviving family will be increased from 75% to 100%.

Starting July 1, 2023, each officer while in the service of the Nebraska State Patrol (NSP) will pay or have paid on the officer's behalf a sum equal to 8% of the officer's monthly compensation. There will also be an assessment against the appropriation of the NSP a sum equal to the amount of 25% of each officer's monthly compensation, which will be credited to the State Patrol Retirement Fund.

EXPENDITURES:

The Nebraska Public Employees Retirement Systems (NPERS) estimates the need for \$20,000 to update the necessary programming to meet the changes in LB196, AM3100, & AM3151.

The Nebraska State Patrol (NSP) estimates that the changes in the contribution rates from LB196 will increase their expenses by \$3,571,480 annually.

There could be additional costs related to the changes to the Line of Duty Compensation Act, those costs would go through the claims process & cannot be determined at this time.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 196	AM: 3100	AGENCY/POLT. SUB: Department of Revenue	
REVIEWED BY: Ryan Walton		DATE: 4/2/2024	PHONE: (402) 471-4174
COMMENTS: The Department of Revenue's assessment of no fiscal impact to the agency from LB 196, as amended by AM3100, appears reasonable.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 196	AM: 3151	AGENCY/POLT. SUB: Nebraska Public Employees Retirement Systems (NPERS)
REVIEWED BY: Ryan Walton	DATE: 4/3/2024	PHONE: (402) 471-4174
COMMENTS: The NPERS' assessment of fiscal impact to agency operations from LB 196, as amended by AM3151, appears reasonable.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 196	AM: 3100	AGENCY/POLT. SUB: State Patrol
REVIEWED BY: Ryan Walton	DATE: 3/25/2024	PHONE: (402) 471-4174
COMMENTS: The State Patrol assessment of fiscal impact from LB 196, as amended by AM3100, appears reasonable.		

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

2024

LB⁽¹⁾ 196 AM3151

FISCAL NOTE

State Agency OR Political Subdivision
Name: ⁽²⁾

Nebraska Public Employees Retirement Systems (NPERS)-
085

Prepared by: ⁽³⁾ Teresa Zulauf

Date Prepared: 4/3/2024
⁽⁴⁾

Phone: ⁽⁵⁾ 402-471-7745

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2024-25		FY 2025-26	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	0		0	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	0		0	

Explanation of Estimate:

LB 196 will change the provisions relating to Nebraska State Patrol Retirement System.

AM3151 changes the timeframe in which a claim maybe filed with Risk Management after the death of a public safety officer who was killed in the line of duty.

No fiscal impact to NPERS Agency 085 operations expenditures.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2024-25 EXPENDITURES	2025-26 EXPENDITURES
	24-25	25-26		
Benefits.....				
... Operating.....				
.... Travel.....				
. Capital outlay.....				
Aid.....				
. Capital improvements.....				
TOTAL.....				

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

2024

LB⁽¹⁾ 196, AM3100

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska State Patrol

Prepared by: ⁽³⁾ Carol Aversman Date Prepared: ⁽⁴⁾ 03-21-2024 Phone: ⁽⁵⁾ 402-479-4545

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2024-25</u>		<u>FY 2025-26</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$2,770,810		\$2,770,810	
CASH FUNDS	\$671,778		\$671,778	
FEDERAL FUNDS	\$117,465		\$117,465	
OTHER FUNDS	\$11,427		\$11,427	
TOTAL FUNDS	\$3,571,480		\$3,571,480	

Explanation of Estimate:

LB 196 increases the amount of the retirement contributions that the Agency must make to the sworn officers' retirement accounts. The current requirement is 16% of earnings for officers hired prior to 7/1/16, and 17% of earnings for officers hired on or after 7/1/16. LB 196, AM3100 increases the required contribution that the Agency must make to 24%. The amendment also reflects a change in the required contribution that the Officers must make to 10% from 16% of earnings for Officers hired prior to 7/1/16 and from 17% for Officers hired on or after 7/1/16.

The Agency estimates total additional costs of \$3,571,481 for the 482 officers that comprise its authorized staffing levels (filled positions and vacancies). This includes estimated increased contributions totaling \$ 289,303 on overtime wages. This estimate is based on the calendar year to date overtime paid in 2023. The estimate also includes additional retirement contributions totaling \$15,271 on incentive shift payments required to be paid. This estimate is based on calendar year to date incentive shift payments paid in 2023.

It is important to note that the estimates provided above have been adjusted from the original fiscal impact calculated in 2023 for LB 196. The negotiated SLEBC contract resulted in salary increases of 22.1% for Troopers, Sergeants, Investigative Officers, and Investigative Sergeants effective 7/1/23. The original 2023 fiscal note was calculated prior to the contract being signed off on, and therefore it did not include the fiscal impact of these much higher salary levels. The impact of the additional 7/1/23 22.1% salary increases has now been reflected in this fiscal note.

It is also important to note that because the estimate was completely recalculated based on the higher salary levels, the entire fiscal impact of LB 196, including AM3100, has been reflected here. Therefore, this is not just the impact resulting from AM 3100.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25</u>	<u>2025-26</u>
	<u>24-25</u>	<u>25-26</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....			\$3,571,480	\$3,571,480
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			\$3,571,480	\$3,571,480

LB 196 AM 3100

Fiscal Note 2024

State Agency Estimate

State Agency Name: Department of Revenue

Date Due LFO:

Approved by: James R. Kamm

Date Prepared: 04/01/2024

Phone: 471-5896

	<u>FY 2024-2025</u>		<u>FY 2025-2026</u>		<u>FY 2026-2027</u>	
	<u>Expenditures</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Revenue</u>
General Funds		\$ 0		\$ 0		\$ 0
Cash Funds						
Federal Funds						
Other Funds						
Total Funds		\$ 0		\$ 0		\$ 0

LB 196 amended by AM3100 adjusts the beginning date from July 1, 2023 to July 1, 2024 and for each officer while in service of the Nebraska State Patrol; it changes the percentage from 8% to 10% of the officer’s monthly compensation to pay or have paid on the officer’s behalf for each officer.

AM 3100 also changes the beginning date from July 1, 2023 to July 1, 2024 and the percentage of the sum from 25% to 24% of each officer’s monthly compensation that will be assessed against the State Patrol’s appropriation and credited to the State Patrol Retirement Fund

AM 3100 repeals Sec. 2. Original section 81-2017

It is estimated that this bill will have no impact on General Fund revenues.

It is estimated that there will be no cost to the Department of Revenue to implement this bill.

Major Objects of Expenditure

<u>Class Code</u>	<u>Classification Title</u>	<u>24-25 FTE</u>	<u>25-26 FTE</u>	<u>26-27 FTE</u>	<u>24-25 Expenditures</u>	<u>25-26 Expenditures</u>	<u>26-27 Expenditures</u>
Benefits.....							
Operating Costs.....							
Travel.....							
Capital Outlay.....							
Capital Improvements.....							
Total.....							