

**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	See below		See below	
CASH FUNDS				
FEDERAL FUNDS	See below		See below	
OTHER FUNDS				
TOTAL FUNDS	See below		See below	

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

LB 265 is a bill for an act relating to state personnel, to amend section 83-173. The bill seeks to change provisions relating to the duties of the Director of Correctional services, require protective vests for correctional officers as prescribed, allow Department o health and Human services employees to use justified use of force as prescribed.

Several examples of duties of Correctional Services are:

1. Supervise and be responsible for the administration of the Department of Correctional Services.
2. Establish, consolidate or abolish any administrative subdivision within the department and appoint and remove for cause the heads thereof and delegate appropriate powers and duties to them,
3. Establish and administer policies and programs for the operation of the facilities in the department and for the custody, control, safety, correction and rehabilitation of persons committed to the department.

The Nebraska Department of Correctional Services (NDCS) shall provide each correctional officer, as part of the standard uniform, with a protective vest designed to protect against edged weapons and stabbings. Each such vest shall be fitted to the officer.

The Department of Health and Human Services (DHHS) shall not restrict, in any manner, an employee form exercising justified use of force pursuant to sections 28-1409 to 28-1416 to protect such employee or others from serious bodily harm or death.

NDCS estimates approximately 1,774 protective vests would be purchases in the first year, this determined based on the 1,478 authorized protective services positions currently plus 20% inventory. The initial cost for the protective vest would be \$844,424 and \$5000 per year expense to maintain the vests and replacement from wear and tear. The vest will have a 5-year expiration date.

DHHS states that it would have to train employees how to properly exercise a justified use of force using the nationally recognized Emergency Safety Intervention system (ESI). There is an initial cost for the Train the Trainer program of \$2,200 per trainer. Currently the they have 15 full-time trainers that would require ESI training that would cost a total of \$33,000 (15 FTEs x \$2,200).

As of now Children and Family Services (CFS) does not have trainer FTEs in place. Five lead workers would be needed to act as trainers, with the total cost for the new trainers being \$423,167 in FY 24 and \$444,323 in FY25. The new five lead workers would also have to undergo ESI training at \$2,200 for a total cost of \$11,000. CFS specialist staff on average are 32.5% federally funded.

There is no basis to disagree.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>		
<b>LB: 265</b>	<b>AM:</b>	<b>AGENCY/POLT. SUB: Nebraska Department of Correctional Services (046)</b>
REVIEWED BY: Joe Wilcox	DATE: 01/23/2023	PHONE: (402) 471-4178
COMMENTS: No basis to dispute the Nebraska Department of Correctional Services estimate of Potential Fiscal Impact to the Agency from LB 265.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
<b>LB: 265</b>	<b>AM:</b>	AGENCY/POLT. SUB: <b>Nebraska Department of Health and Human Services (025)</b>
REVIEWED BY: Joe Wilcox	DATE: 01/25/2023	PHONE: (402) 471-4178
COMMENTS: No basis to dispute the Nebraska Department of Health and Human Services (DHHS) estimate of Potential Fiscal Impact to the Agency from LB 265.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
<b>LB: 265</b>	<b>AM:</b>	AGENCY/POLT. SUB: <b>Nebraska State Patrol (064)</b>
REVIEWED BY: Joe Wilcox	DATE: 01/23/2023	PHONE: (402) 471-4178
COMMENTS: Agree with the Nebraska State Patrol estimate of No Fiscal Impact to the Agency from LB 265.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
<b>LB: 265</b>	<b>AM:</b>	AGENCY/POLT. SUB: <b>Nebraska Supreme Court (005)</b>
REVIEWED BY: Joe Wilcox	DATE: 01/23/2023	PHONE: (402) 471-4178
COMMENTS: No disagreement with the Nebraska Supreme Court estimate of No Fiscal Impact to the Agency from LB 265.		

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

**2023**

**LB<sup>(1)</sup> 265**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Department of Correctional Services

Prepared by: <sup>(3)</sup> Lisa Stanton Date Prepared: <sup>(4)</sup> 01/17/2023 Phone: <sup>(5)</sup> (402)479-5702

**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	\$849,424		\$5,000	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$849,424</b>		<b>\$5,000</b>	

**Explanation of Estimate:**

LB265 requires the Department of Correctional Services to provide each correctional officer, as part of the standard uniform, with a protective vest designed to protect against edged weapons and stabbings. Each vest shall be fitted to the officer.

NDCS estimates that approximately 1,774 protective vests would be purchased in the first year. This would provide all protective services staff with a fitted vest and maintain inventory levels sufficient to assure that appropriate sizes are on hand for uniform issue when individuals are hired and when exchanges are made. This was determined based on 1,478 authorized protective services positions plus 20% for inventory. The cost for this initial purchase is estimated to be \$844,424 (approx. \$476 each for protective vest and plates x 1,774).

There are costs associated with maintaining the vests, to include replacement of velcro straps due to washing and regular wear and tear. NDCS estimates these costs to be \$5,000/yr.

After the initial investment, there will be ongoing operational costs for replacement of vests and plates. The vests and plates both have 5-year expiration dates.

**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.....			\$849,424	\$5,000
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
<b>TOTAL.....</b>			<b>\$849,424</b>	<b>\$5,000</b>

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

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

Prepared by: (3) John Meals

Date Prepared 1-24-2023

Phone: (5) 471-6719

	<u>FY 2023-2024</u>		<u>FY 2024-2025</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
<b>GENERAL FUNDS</b>	\$418,907		\$391,340	
<b>CASH FUNDS</b>				
<b>FEDERAL FUNDS</b>	\$137,486		\$114,360	
<b>OTHER FUNDS</b>				
<b>TOTAL FUNDS</b>	\$556,393	\$0	\$535,700	\$0

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

**Explanation of Estimate:**

LB265 removes any restriction on employees to exercise justified use of force to protect themselves or others from serious bodily harm or death. This bill will require significant policy changes across the entire department. The bill will also necessitate the department to provide applicable training to all employees. More specific training will be required for areas that interact with patients or clients on a regular basis like the adult and youth facilities and CFS workers.

LB265 could increase workers compensation claims and expose DHHS to increased litigation. The policy change implemented because of this bill may also cause federal disallowances imposed by Centers for Medicare and Medicaid Services (CMS) and issues with Joint Commission accreditation.

The cost to implement policy changes across the department are as follows. The department will absorb these costs:

Title	Hours	Hourly Cost	Absorbed Cost
<i>Director</i>	20	\$75.77	\$1,515
<i>Deputy Director</i>	20	\$54.55	\$1,091
<i>Administrator I</i>	20	\$31.44	\$629
<i>Program Specialist</i>	40	\$23.31	\$932
<i>Program Analyst</i>	80	\$22.69	\$1,815
<i>Attorney III</i>	120	\$34.50	\$4,140
<b>Total Costs</b>			\$10,122

The training required in this bill relates to employees properly exercising a justified use of force. A possible training source the department could utilize is the nationally recognized Emergency Safety Intervention (ESI) system. The initial cost for the Train the Trainer program is \$2,200 per trainer.

The facilities have 15 trainer FTEs in place, three FTEs at LRC and two FTEs at each of the remaining six facilities. The ESI training would cost a total of \$33,000.

CFS does not have trainer FTEs currently in place. CFS would need five lead workers to act as trainers, two FTEs for the Omaha areas, one FTE for Lincoln, and two FTEs for West and Central Nebraska. The total cost of these new FTEs is \$423,167 in FY24 and \$444,323 in FY25. In addition, these new FTEs would incur the ESI Train the Trainer costs of \$2,200 each for a total of \$11,000. CFS Specialist staff are on average 32.5% federally funded.

DHHS central office would need one additional trainer FTE that would cost \$87,026 in FY24 and \$91,378 in FY25. In addition, this position would incur the ESI Train the Trainer cost of \$2,200.

<b>MAJOR OBJECTS OF EXPENDITURE</b>				
<b>PERSONAL SERVICES:</b>				
<b>POSITION TITLE</b>	<b>NUMBER OF POSITIONS</b>		<b>2023-2024</b>	<b>2024-2025</b>
	<b>23-24</b>	<b>24-25</b>	<b>EXPENDITURES</b>	<b>EXPENDITURES</b>
C72313 Children & Families Services Specialist Lead Worker	5	5	\$249,538	\$262,014
K17253 HR Business Partner I	1	1	\$51,112	\$53,667
Benefits.....			\$102,028	\$107,129
Operating.....			\$153,715	\$112,890
Travel.....			\$0	\$0
Capital Outlay.....			\$0	\$0
Aid.....			\$0	\$0
Capital Improvements.....			\$0	\$0
<b>TOTAL.....</b>			<b>\$556,393</b>	<b>\$535,700</b>

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

**2023**

**LB<sup>(1)</sup> 265**

**FISCAL NOTE**

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

Prepared by: <sup>(3)</sup> Carol Aversman Date Prepared: <sup>(4)</sup> 01-15-2023 Phone: <sup>(5)</sup> 402-471-4545

**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	=====	=====	=====	=====

Explanation of Estimate:

**NO FISCAL IMPACT.**

**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**

**LB<sup>(1)</sup> 265**

**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> 1/23/2023 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	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

No fiscal impact.

**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.....	_____	_____	_____	_____