

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2010-11		FY 2011-12	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	See Below		See Below	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See Below		See Below	

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB1040 creates the Nebraska Municipality Comparability Act and establishes requirements under which the municipal governments, labor organizations and the Commission of Industrial Relations (CIR) would operate for collective bargaining purposes. LB1040 establishes timelines for collective bargaining, establishes CIR array selection requirements, establishes requirements for the CIR to use in comparing same or similar work, and establishes requirements for the CIR to use in analyzing total compensation.

The CIR is indicating an increase in workload as a result of the provisions of LB1040 as follows.

- Filings would increase dramatically. In FY2010-11, the CIR is estimating 10 additional wage cases filed by municipalities. In FY2011-12, the CIR is estimating 15 additional wage cases filed by municipalities.
- The average number of days at trial per case under the provisions of LB1040 would be greater than the average number of days at trial under the current system. The CIR estimates the average cost of a trial would increase from \$4,228 to \$7,500 or 77%.

The CIR is estimating a net increase in costs for FY2010-11 of \$74,000 (\$ 75,000 - \$1,000) and a net increase in costs for FY2011-12 of \$111,000 (\$112,500 - \$1,500).

The change in the CIR's workload as a result of LB1040 is difficult to predict. The CIR estimates a significant increase in workload based on the assumption that most municipalities would not settle but would take their cases to the CIR for a ruling. An alternate assumption could be that under the provisions of LB1040 the labor organizations may be less inclined to go to the CIR and would therefore settle. Under this assumption, there would be no increase in workload for the CIR. The estimated fiscal impact could range from \$0 to \$74,000 for FY2010-11 and \$0 to \$111,000 for FY2011-12.

DEPARTMENT OF ADMINISTRATIVE SERVICES

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COMMENTS					
COMM. OF INDUSTRIAL RELATIONS – No basis to disagree with estimate.					
CITY OF FREMONT – Concur.					