

PREPARED BY: Kathy Tenopir
 DATE PREPARED: February 03, 2011
 PHONE: 471-0058

LB 564

Revision: 00

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2011-12		FY 2012-13	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	See Below		See Below	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

LB564 amends and repeals sections of the Industrial Relations Act and the State Employees Collective Bargaining Act.

Industrial Relations Act

1. Repeals the power of the Commission of Industrial Relations (CIR) to establish or alter the scale of wages, hours of labor, or conditions of employment.
2. Within a specific timeframe the employer and labor organization are to agree upon a procedure for settling any industrial dispute.
3. In the absence of an agreement for settling industrial disputes, LB564 sets out a new procedure that includes the CIR in a fact-finding capacity. There would be no trials, only a potential for hearings. A party to an industrial dispute may petition the CIR to provide fact-finding and recommended decisions or orders to resolve the dispute. The governing body may accept or reject the CIR's fact-finding and recommended decisions or orders.

State Employees Collective Bargaining Act

1. Appears to remove the CIR from the process established in the State Employees Collective Bargaining Act except for actions that relate to prohibited practices.

For the changes to the Industrial Relations Act, it would appear that there should be savings for all parties involved in the collective bargaining process including the CIR since there would be no trials. The potential savings cannot be estimated.

For the changes to the State Employees Collective Bargaining Act, it would appear that there should be saving for all parties in the collective bargaining process since the step of going to the CIR is eliminated except for actions related to prohibited practices. The potential savings cannot be estimated.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Elton Larson	2/3/11	PHONE 471-2526
COMMENTS			
DEPT. OF EDUCATION – Concur. STATE COLLEGE SYSTEM – Concur. UNIVERSITY OF NEBRASKA – Concur. ADMINISTRATIVE SERVICES – Concur. INDUSTRIAL RELATIONS – No basis to disagree with agency assessment. LANCASTER COUNTY – Concur.			

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LB 564 FISCAL NOTE

State Agency OR Political Subdivision Name: Nebraska Department of Education

Prepared by: Joel Scherling Date Prepared: 1/28/11 Phone: 471-4736

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2011-12</u>		<u>FY 2012-13</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	_____	_____	_____	0

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

Explanation of Estimate:

The fiscal impact of this bill cannot be determined at this time.

MAJOR OBJECTS OF EXPENDITURES

Personal Services: _____

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2011-12</u>	<u>2012-13</u>
	<u>11-12</u>	<u>12-13</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefit	_____	_____	_____	_____
Operating	_____	_____	_____	_____
Travel	_____	_____	_____	_____
Capital outlay	_____	_____	_____	_____
Aid	_____	_____	_____	_____
Capital improvements	_____	_____	_____	_____
TOTAL	_____	_____	_____	_____

FISCAL NOTE LB564 Nebraska State College System

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LEGISLATIVE FISCAL

Prepared By	Murphy, Carolyn
Date Prepared	1/28/2011
Prepared Phone	402-471-2505

Estimate Provided By State Agency or Political Subdivision

	FY 2011-2012		FY 2012-2013	
	Expenditures	Revenue	Expenditures	Revenue
General Funds	**Indeterminate**		**Indeterminate**	
Cash Funds				
Federal Funds				
Other Funds				
Total Funds	**Indeterminate**		**Indeterminate**	

Explanation of Estimate:

LB564 proposes changes in the Industrial Relations Act and repeals several sections in the State Employee Collective Bargaining Act (SECBA). The Industrial Relations Act, as proposed in the bill, includes language and terminology that is not clearly defined in relation to the NSCS. Because of this, the financial impact can only be known after significant study and a better understanding of how the language and terminology in the bill relates to the NSCS. There will be financial impact, first in determining and implementing the new process, and second in the long term impact on the outcomes of the Collective Bargaining process.

Major Objects of Expenditure

Position Title	Number of Positions		FY 2011-2012	FY 2012-2013
	FY 2011-2012	FY 2012-2013	Expenditures	Expenditures
		Benefits		
		Operating		
		Travel		
		Capital outlay		
		Aid		
		Capital improvements		
		Total		

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2011

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

LB⁽¹⁾ 564 FISCAL NOTE

State Agency OR Political Subdivision Name: University of Nebraska
 (2)

Prepared by: ⁽³⁾ Michael Justus Date Prepared: ⁽⁴⁾ January 28, 2011 Phone: ⁽⁵⁾ 472-2191

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2011-2012</u>		<u>FY 2012-2013</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

Explanation of Estimate:

LB 564 makes the CIR more of a recommending body rather than a decision-making one under the IRA. Important for our purposes is Sec. 16, which removes the language from the SECBA which states that a special master must choose "the most reasonable final offer" on each issue and instead he/she must choose only "the final offer of either party" on each issue. Sec. 16 also removes the special master's guidance for determining which final offer to choose, i.e. based on comparable rates of pay. In addition, if parties wish to appeal the special master's ruling, the appeal would skip the CIR and go directly to the Court of Appeals or the Supreme Court.

Additionally, it is unclear whether (page 6 line 14 & 15) conflicts (and costs of actions) could be created by order of the Attorney General or Governor entering orders/actions in place of the Board of Regents.

The fiscal impact of this bill is unclear.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2011-2012</u>	<u>2012-2013</u>
	<u>11-12</u>	<u>12-13</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				

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JAN 28 2011

LEGISLATIVE FISCAL

2011 Legislative Bill Proposal Fiscal Note

Bill #: LB 564

State Agency: Administrative Services – Employee Relations and State Personnel

Prepared by: Jeannie O’Meara

Date Prepared: 1-26-11

Phone: 402-471-8292

Approved by:

Estimate of Fiscal Impact – State Agencies

	FY 2011-12		FY 2012-13	
	Expenditures	Revenue	Expenditures	Revenue
General Funds	0		0	
Cash Funds				
Federal Funds				
Other Funds				
Total Funds	0		0	

Explanation of Estimate: LB 564 makes procedural changes to the Industrial Relations Act and the State Employees Collective Bargaining Act. These procedural changes would have no fiscal impact on Employee Relations or State Personnel.

Major Objects of Expenditure

Personal Services:

Position Title:	Number of Positions			2011-12	2012-13
	11-12	12-13		Expenditures	Expenditures
Benefits					
Operating					
Travel					
Capital Outlay					
Aid					
Capital Improvements					
TOTAL					

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

LB⁽¹⁾ 564 FISCAL NOTE

LEGISLATIVE FISCAL

State Agency OR Political Subdivision Name: (2) Lancaster County

Prepared by: (3) John Cripe Date Prepared: (4) 1-31-11 Phone: (5) 441-7879

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2011-2012		FY 2012-2013	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

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

Explanation of Estimate:

First, I am not sure what the bill does - considering that it does not amend 48-818 which is the meat of the CIR.

Secondly, it seems to add the potential for Fact Finding (informational report) which a county can reject but does not change the foundation of the CIR so you could potentially have two cases to be heard, one fact finding and the other a Strict Rules of Evidence style CIR hearing.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2011-2012	2012-2013
	11-12	12-13	EXPENDITURES	EXPENDITURES
Benefits	_____	_____	_____	_____
Operating	_____	_____	_____	_____
Travel	_____	_____	_____	_____
Capital outlay	_____	_____	_____	_____
Aid	_____	_____	_____	_____
Capital improvements	_____	_____	_____	_____
TOTAL	_____	_____	_____	_____