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PREPARED BY: Doug Gibbs
DATE PREPARED: January 26, 2011
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LB 472

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	\$65,504		\$67,142	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$65,504		\$67,142	

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

LB 472 would create the Nebraska Workers Adjustment and Retraining Notification Act.

This bill is similar to the federal Workers Adjustment and Retraining Notification Act but is broader than the federal act in that it applies to a wider range of employers and deals with layoffs of fewer employees.

In general, the bill provides that an employer shall not order a mass layoff, worksite closing, or transfer of operations unless 60 days prior they have given written notice to each affected employee, each representative of the affected employee, the Commissioner of Labor, the local workforce investment board, and the mayor of the city or village where the action will occur.

If the action will result in employment loss of 250 or more employees the employer must give the same notice as above 120 days before the layoff, closing, or transfer.

The bill establishes a rapid response team in the Department of Labor. The basic purpose of the team is to organize meetings in order to provide employers and employee representatives an opportunity to obtain information about dislocated worker services available locally to eligible employees. The team is also to offer to meet with management to discuss alternatives, facilitate cooperation between employer and employees, and meet onsite with workers to provide information.

Employees who believe their rights under the Act have been violated are provided with a civil action in district court. Employers who are found in violation of the Act shall be liable to each aggrieved employee and shall provide double back pay for each calendar day of violation, the value of benefits the employee would have received, other economic and exemplary damages, and reasonable attorney's fees and costs.

The Attorney General, Commissioner of Labor, Department of Labor, and affected city, village, or county are also provided with a right of civil action for a violation of the Act.

The Commissioner of Labor and the Department shall also have a lien upon the business revenue and all real and personal property of the employer for the employer's liability in a suit brought by the Commissioner.

The Attorney General may petition the district court for an order of restitution of money or property to any person or class of persons injured by a violation. The courts do not have the authority to enjoin a plan closing or mass layoff.

The Department of Labor indicates that LB 472 closely aligns with current Rapid Response team activities as outlined in the federal Workforce Invest Act (WIA). However, Section 8 which deals with the enforcement requirements are not activities funded by federal funds. It is estimated this requirement will need 1.0 FTE Program Coordinator and .03 FTE Legal Services. If federal funds are not available to meet the requirements of Section 6 of LB 472, the estimated costs are \$60,000 of additional funding.

There is no basis to disagree with the Department of Labor's estimate of fiscal impact.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Gary Bush	DATE	1/21/11	PHONE	471-2526
COMMENTS					
ATTORNEY GENERAL: No basis to disagree.					

FISCAL NOTE LB472

Nebraska Department of Labor

Prepared By	Ward, Debbie Kay
Date Prepared	1/28/2011
Prepared Phone	402-471-2492

Estimate Provided By State Agency or Political Subdivision

	FY 2011-2012		FY 2012-2013	
	Expenditures	Revenue	Expenditures	Revenue
General Funds	65,504		67,142	
Cash Funds				
Federal Funds				
Other Funds				
Total Funds				

Explanation of Estimate:

Upon review of LB 472 Section 6 closely aligns with current Rapid Response team activities as outlined in the federal Workforce Investment Act WIA. However Section 8 which deals with the enforcement requirements are not activities funded by federal fund. It is estimated this requirement will need one FTE Program Coordinator. If Federal funds were not available to meet the requirements of LB 472 Section 6 the estimated costs are \$60,000 for aid.

Major Objects of Expenditure

Position Title	Number of Positions		FY 2011-2012	FY 2012-2013
	FY 2011-2012	FY 2012-2013	Expenditures	Expenditures
Legal Services	.03	.03	1,897	1,945
Program Coordinator	1	1	39,562	40,550
		Benefits	14,510	14,873
		Operating	9,535	9,774
		Travel		
		Capital outlay		
		Aid		
		Capital improvements		
		Total	65,504	67,142