

PREPARED BY:
DATE PREPARED:
PHONE:

Sandy Sostad
February 02, 2011
471-0054

LB 619

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	(\$9,568)	(\$900)	(\$9,568)	(\$900)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	(\$9,568)	(\$900)	(\$9,568)	(\$900)

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

LB 619 removes school districts, learning communities and educational service units from the provisions of the Industrial Relations Act. The Commission of Industrial Relations indicates there are about nine cases filed per year by these entities. About two of the nine cases result in trials. Trials usually run a single day at a cost of \$4,784 of general funds per day for hearing commissioner and panel commissioner per diems, travel, board and lodging if required, court reporters and publication costs. The Commission will also have an annual decrease in general fund revenue of about \$900 related to fewer filing fees being paid by educational entities.

The fiscal impact of the bill for schools, ESU's and the learning community cannot be determined. The repeal of provisions governing collective bargaining between the educational entities and their employees will likely have a future fiscal impact in terms of wages and benefits provided to some public employees. However, it is unknown how negotiations between educational employers and employees will be impacted by the elimination of the Commission as an arbiter in wage and benefit decisions.

The bill may also have a fiscal impact in terms of expenses for schools, ESU's and the learning community related to the arbitration process. It is unknown whether the repeal of Commission responsibilities for arbitration will result in increased or decreased costs for educational entities for arbitration of disputes that are now under the purview of the Commission.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Elton Larson	DATE	2/3/11	PHONE	471-2526
COMMENTS					
NEBRASKA DEPARTMENT OF EDUCATION: Concur. COMMISSION ON INDUSTRIAL RELATIONS: No basis to disagree with agency analysis/estimate.					

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LB 619 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	_____	_____	_____	_____

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 LB619

Commission of Industrial Relations

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Prepared By	Hord, Annette
Date Prepared	1/31/2011
Prepared Phone	402-471-2934

Estimate Provided By State Agency or Political Subdivision

	FY 2011-2012		FY 2012-2013	
	Expenditures	Revenue	Expenditures	Revenue
General Funds	-\$9,568	-\$900	-\$9,568	-\$900
Cash Funds				
Federal Funds				
Other Funds				
Total Funds	-\$9,568	-\$900	-\$9,568	-\$900

Explanation of Estimate:

This fiscal note represents the best estimate of costs related to this bill, based upon the experience of the Commission in handling cases in the past.

LB 619 would remove all public school districts, learning communities, and educational service units from the Industrial Relations Act.

In the past five years, the Commission has had an average of nine cases filed per year from school districts or educational service units. On average, two trials per year have been required. The other seven cases per year have been certification or decertification elections, requests for mediation, or some other issue that has ultimately been settled by the parties, thus leading to the case being dismissed.

Based on this historical average, the Commission estimates that they would have nine fewer cases filed each year, if LB 619 became law. Seven of these cases would be handled almost exclusively administratively, requiring a minimal amount of commissioner time. We are estimating that these cases might require two hours of commissioner time, for the purposes of assigning the panel, reviewing the pleadings, and possibly holding a preliminary telephone conference call. The rest of the work would be done primarily by the staff. In the case of the two trials predicted, we are using the estimate of costs as shown below to predict the decrease in costs that would occur. School cases trials are almost always 1-day trials, so we will use that estimate.

An estimated cost for conducting a 1-day trial is determined to be approximately \$4,230.

This includes the cost of per diems for the hearing commissioner and the panel commissioners, the cost of travel and/or board & lodging if required to attend the hearing, the cost of court reporters and for publication of the opinion in our CIR Reporter.

The Commission would also have lower revenue of \$900 per year, due to fewer filing fees being paid.

Major Objects of Expenditure

Position Title	Number of Positions		FY 2011-2012	FY 2012-2013
	FY 2011-2012	FY 2012-2013	Expenditures	Expenditures
Comm. Per Diem			-\$6,808	-\$6,808
		Benefits		
		Operating	-\$2,472	-\$2,472
		Travel	-\$288	-\$288
		Capital outlay		
		Aid		
		Capital improvements		
		Total	-\$9,568	-\$9,568