

MSA

PREPARED BY:  
DATE PREPARED:  
PHONE:

Kathy Tenopir  
February 02, 2011  
471-0058

**LB 623**

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.

LB623 amends the Industrial Relations Act as it relates to Douglas County and the Commission of Industrial Relations (CIR) as follows.

1. Strikes the language that indicates the employment status of an employee filing a petition with the CIR shall not be altered in any way pending the disposition of the petition by the CIR.
2. Prohibits the CIR from issuing orders and requiring good faith bargaining regarding insurance and pensions.
3. Excludes insurance and pensions from the definition of overall compensation.
4. Changes the method for determining the array of comparables to include public and private sector employers within the Metropolitan Statistical Area (MSA). If it is necessary to look for comparables outside the MSA, the CIR must first look in Nebraska and then may extend to a 500 mile radius and with a population no less than ¼ or more than twice as large.

Douglas County is estimating a considerable cost savings of \$1.7 million as a result of the changes in LB623.

Because of the change in the method for determining the array, the CIR is estimating an increase in the number of cases to be filed in the first two years after passage and therefore an increase in costs. It is unclear whether or not a change in the method of determining the array of comparables will increase the number of cases filed.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Elton Larson	DATE	2/3/11	PHONE	471-2526
COMMENTS					
COMMISSION OF INDUSTRIAL RELATIONS: No basis to disagree with agency estimate. DOUGLAS COUNTY: No basis to disagree with Douglas County estimate.					

# FISCAL NOTE LB623

## Commission of Industrial Relations

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LEGISLATIVE COUNCIL

Prepared By	Hord, Annette
Date Prepared	2/2/2011
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	\$21,150	\$500		
Cash Funds				
Federal Funds				
Other Funds				
<b>Total Funds</b>	<b>\$21,150</b>	<b>\$500</b>		

**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. There is no way to be certain as to the exact increase in caseload related to the passage of this bill, but this is our attempt to predict the fiscal impact upon our agency.

LB 623 would change comparability standards for Douglas County. First, it would remove health insurance and pension benefits as mandatory subjects of bargaining. Secondly, the bill would require the use of both public and private employers located within Douglas County as comparables. If not enough comparables exist within the county, then comparables would be required to be within 500 miles of Douglas County, and must be from one-fourth to twice the size of Douglas County. This is a different size standard than has historically been used by the Commission.

Currently, the cost of a 1-day trial, including per diems, travel, court reporter, and other incidentals, is approximately \$4,230. For the purposes of this fiscal note, the Commission feels that five new cases could be filed the first year after the bill's enactment. The second year might be somewhat less, and in the following years, once the new case law has been more settled, the number of cases filed should decrease back to more normal levels.

**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 Diems			\$14,250	
		Benefits		
		Operating	\$6,180	
		Travel	\$720	
		Capital outlay		
		Aid		
		Capital improvements		
		<b>Total</b>	<b>\$21,150</b>	

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

LB<sup>(1)</sup> 623 FISCAL NOTE

State Agency OR Political Subdivision Name: <sup>(2)</sup> Douglas County

Prepared by: <sup>(3)</sup> Rick Kipert

Date Prepared: <sup>(4)</sup> 2-2-11

Phone: <sup>(5)</sup> 402-444-3372

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:

If LB 623 passes, Douglas County would experience a cost savings of 1.7 million dollars

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 .....	_____	_____	_____	_____