

PREPARED BY: Doug Gibbs
 DATE PREPARED: February 19, 2014
 PHONE: 402-471-0051

LB 1090

Revision: 00

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2014-15		FY 2015-16	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$78,249		\$76,564	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$78,249		\$76,564	

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB 1090 creates the Healthy Families and Workplace Act.

The main purpose of the Act is to require that employees accrue a minimum of one hour of paid sick time for every thirty hours worked, with a limit of not more than forty hours in a calendar year unless the employer selects a higher limit. The paid sick time accrual is to begin at the commencement of employment.

In addition, the bill defines employee; defines employer; limits the amount of sick time that may be used unless employer has a more generous plan; does not require the employer to pay for unused sick time at separation; provides for acceptable reasons to use sick time; allows an employer to require reasonable documentation for use of sick time; states that an employer may not retaliate against an employee for exercising the employee's rights under the Act; gives enforcement of the Act to the Department of Labor; reports of violations may be made to the Commissioner of Labor who may summon witnesses and require documentation to investigate alleged violations of the Act; and allows any person aggrieved by a violation of the Act to bring a civil action in a court of competent jurisdiction and recover full amount of unpaid sick leave and attorney's fees and costs.

The bill contains the severability clause.

The Department of Labor estimates that LB 1090 will require 1.0 FTE Labor Law Specialist to enforce the provisions of the bill. The estimated cost is \$78,249 for FY2014-15 and \$76,564 for FY2015-16. PSL is \$37,655 and \$38,502 for FY2014-15 and 2015-16, respectively.

We agree with the Department of Labor's estimate of expenditure.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 1090	AM:	AGENCY/POLT. SUB: Dept. of Labor	
REVIEWED BY: Gary Bush		DATE: January 29, 2014	PHONE: 471-4161
COMMENTS: Agree with the agency's estimate of impact. The estimate appears to be reasonable.			

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2014

LB⁽¹⁾ 1090

**FISCAL
NOTE**

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

Prepared by: ⁽³⁾ Debbie Kay Ward Date Prepared: ⁽⁴⁾ 01/28/2014 Phone: ⁽⁵⁾ 402-471-2492

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2014-15</u>		<u>FY 2015-16</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$78,249		\$76,564	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u>\$78,249</u>		<u>\$76,564</u>	

Explanation of Estimate: LB 1090 creates the Healthy Families and Workplaces Act. Employees shall accrue a minimum of one hour of paid sick time for every thirty hours worked. Such employees will not accrue more than forty hours of paid sick time in a calendar year, unless the employer selects a higher limit. LB 1090 also impacts the accruing of sick time, the carryover from one calendar year to the next and the transfer of accrued sick time between divisions within the same company. LB 1090 will significantly impact NDOL as there is currently no similar leave requirement at this time. This is an area where there is a potential for a significant number of violations. The law applies to all 36,000+ employers with four or more employees. These are the same employers that are subject to the Nebraska Wage & Hour Act. One full-time Labor Law Specialist will be required to enforce the requirements of LB 1090.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2014-15</u>	<u>2015-16</u>
	<u>14-15</u>	<u>15-16</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Labor Law Specialist	1.0	1.0	\$37,655	\$38,502
Salaries.....			37,655	38,502
Benefits.....			22,532	22,661
Operating.....			15,062	15,401
Travel.....				
Capital outlay.....			3,000	
Aid.....				
Capital improvements.....				
TOTAL.....			<u>\$78,249</u>	<u>\$76,564</u>