

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2014-15</b>		<b>FY 2015-16</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	See Below		See Below	
CASH FUNDS				
FEDERAL FUNDS	See Below		See Below	
OTHER FUNDS				
TOTAL FUNDS				

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

LB820 authorizes the Governor on behalf of the State to enter into an interstate compact for the prevention and control of forest fires in the great plains region. The state forester is to act as the compact administrator.

Other compact provisions:

- All liability that may arise is to be borne by the requesting state.
- Any loss or damage or expense incurred shall be reimbursed by the member state receiving the aid. This includes the cost of materials, transportation and wages of employees and maintenance of equipment.
- Each member state shall assure that workers' compensation benefits are available to all employees and contract firefighters sent to a requesting state.
- A volunteer firefighter shall be deemed an employee of the University of Nebraska solely for purposes of the Nebraska Workers' Compensation Act.

Estimated Fiscal Impact

1. Nebraska Emergency Management Agency – estimates some additional costs per year for travel expenses and other administration at \$7,000 per year split between state and federal funds.
2. Department of Administrative Services – indicates the impact to be a result of the provision of workers' compensation benefits to volunteers firefighters not previously covered by the state's workers compensation program. The amount of the fiscal impact cannot be estimated.
3. University of Nebraska – indicates the State Forester would need an additional 2.0 FTE and dollars to pay other states providing assistance estimated at \$181,000 in the 1<sup>st</sup> year and \$141,000 in the 2<sup>nd</sup> year. The University also anticipates an increase in its workers' compensation charges given the risk profile of volunteer firefighters. The University's estimate for additional staff and operating costs appears high.

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

**2014**

**LB<sup>(1)</sup> 820**

**FISCAL  
NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Emergency Management Agency

Prepared by: <sup>(3)</sup> Al Berndt, Asst. Dir. Date Prepared: <sup>(4)</sup> 13 January 2014 Phone: <sup>(5)</sup> 402-471-7410

**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	<u>\$3,500.00</u>	<u>                    </u>	<u>\$3,500.00</u>	<u>                    </u>
CASH FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
FEDERAL FUNDS	<u>\$3,500.00</u>	<u>                    </u>	<u>\$3,500.00</u>	<u>                    </u>
OTHER FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>TOTAL FUNDS</b>	<u><u>\$7,000.00</u></u>	<u><u>                    </u></u>	<u><u>\$7,000.00</u></u>	<u><u>                    </u></u>

Explanation of Estimate: The writing and implantation of any wildfire compact by NEMA would be integrated into the administration, planning and exercising program of the agency in support of the current State Emergency Operations Plan and the current Interagency Cooperative Fire Management Agreement with the Federal Government. Associated costs would be to cover travel costs for NEMA and other state personnel to attend compact meetings at the regional and national level and any additional associated administrative costs to maintain the compact.

**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>
N/A-utilize current staff	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Benefits.....				
Operating.....			<u>\$1,000.00</u>	<u>\$1,000.00</u>
Travel.....			<u>\$6,000.00</u>	<u>\$6,000.00</u>
Capital outlay.....				
Aid.....				
Capital improvements.....				
<b>TOTAL.....</b>			<u><u>\$7,000.00</u></u>	<u><u>\$7,000.00</u></u>

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

2014

LB <sup>(1)</sup> 820 FISCAL NOTE

State Agency OR Political Subdivision Name: <sup>(2)</sup> University of Nebraska

Prepared by: <sup>(3)</sup> Michael Justus Date Prepared: <sup>(4)</sup> January 21, 2014 Phone: <sup>(5)</sup> 402-472-2191

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2013-2014</u>		<u>FY 2014-2015</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$ <u>181,000</u>	\$ _____	\$ <u>141,000</u>	\$ _____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	<b>\$ <u>181,000</u></b>	<b>\$ _____</b>	<b>\$ <u>141,000</u></b>	<b>\$ _____</b>

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

Explanation of Estimate:

LB 820 creates the ability for Nebraska to form a compact with other states and places the Nebraska State Forester in the role of wildfire suppression compact administrator on behalf of the State. The State Forester does not currently have the capacity to absorb these duties or a funding mechanism in place to pay other states providing assistance. The addition of 2.0 FTE specialized staff with responsibilities specific to this area would be necessary for carrying out the various duties.

Additionally, the bill adds volunteer firefighters as employees of the University of Nebraska for the purposes of workers compensation insurance coverage. We anticipate this will likely increase UNL's workers comp charges given the risk profile of this group. There are approximately 14,000 volunteer fire fighters within the state. There is no way to accurately estimate the cost to UNL of such a requirement, or even the impact of developing the policies which would be necessary to carry this out. Simply obtaining the personnel information for this group for reporting purposes would be challenging and incur significant time and labor costs. **Therefore, no amount is included in this fiscal note for those costs.**

Neither the ability to repay other states for additional staff (volunteer firefighters and equipment) needed in the NFS or the fiscal impact to UNL from adding volunteers to the workers comp pool currently have a funding mechanism in place.

**MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2013-2014</u>	<u>2014-2015</u>
	<u>13-14</u>	<u>14-15</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
<u>Fire Operations Manager/Compact Administrator</u>	<u>1.0</u>	<u>1.0</u>	\$ <u>50,000</u>	\$ <u>50,000</u>
<u>Fire Accountant</u>	<u>1.0</u>	<u>1.0</u>	<u>40,000</u>	<u>40,000</u>
<u>Benefits.....</u>			<u>27,000</u>	<u>27,000</u>
<u>Operating.....</u>			<u>4,000</u>	<u>4,000</u>
<u>Travel.....</u>			<u>20,000</u>	<u>20,000</u>
<u>Capital outlay .....</u>			<u>40,000</u>	_____
<u>Aid .....</u>			_____	_____
<u>Capital improvements .....</u>			_____	_____
<b>TOTAL .....</b>			<b>\$ <u>181,000</u></b>	<b>\$ <u>141,000</u></b>

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

**2014**

**LB<sup>(1)</sup> 820**

**FISCAL  
NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Department of Administrative Services

Prepared by: <sup>(3)</sup> Bo Botelho Date Prepared: <sup>(4)</sup> 1/15/2014 Phone: <sup>(5)</sup> 402-471-0972

**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	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>

**Explanation of Estimate:** This bill authorizes the Governor on behalf of the State to join an interstate compact for the prevention and control of forest fires and provides employment status for certain volunteer firefighters. All liability that may arise is to be assumed and borne by the requesting state. Any loss or damage to or expense incurred in the operation of any equipment answering a request for aid and for the cost of all materials, transportation, wages, salaries, and maintenance of employees and equipment incurred shall be reimbursed by the member state receiving the aid. Each member state shall assure workers' compensation benefits to all employees (which shall include any volunteer or auxiliary legally included within the forest fire fighting forces of the aiding state) and contract firefighters sent to a requesting state.

The impact of LB820 would be based on how many injured workers would incur Workers' Compensation claims as a result of providing aid to another state and as a result of providing Workers' Compensation benefits to volunteers not previously covered under the state's Workers Compensation program.

However, as Administrative Services is unable to determine the future number of claims or the number of volunteers, the fiscal impact of this bill is unknown.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2014-15 EXPENDITURES</u>	<u>2015-16 EXPENDITURES</u>
	<u>14-15</u>	<u>15-16</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
<b>TOTAL.....</b>	_____	_____	_____	_____