

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2015-16		FY 2016-17	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	79,474		79,474	
FEDERAL FUNDS		47,684		47,684
OTHER FUNDS				
TOTAL FUNDS	79,474	47,684	79,474	47,684

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

This bill increases certain limits under the Crime Victims Reparations Act (CVR). Funeral expenses are currently limited to \$5,000, and the bill increases the amount to \$10,000. Medical expenses are currently limited to \$10,000, and the bill increases the amount to \$20,000. The Crime Commission estimates these increased limits will result in increased payouts of \$79,474: \$45,000 for funeral costs and \$34,474 for medical costs.

Additionally, the Crime Commission notes that Nebraska's CVR program is awarded a federal grant each year that is calculated as 60% of the amount expended from state funds for claims, and this amount is estimated to be \$47,684.

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2015

LB⁽¹⁾ 354 (revised)

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

NE Comm on Law Enforcement and Criminal Justice

Prepared by: ⁽³⁾ Bruce Ayers

Date Prepared: ⁽⁴⁾ 2-27-2015

Phone: ⁽⁵⁾ 471-0359

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2015-16</u>		<u>FY 2016-17</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	<u>79,474</u>	_____	<u>79,474</u>	_____
FEDERAL FUNDS	_____	<u>47,684</u>	_____	<u>47,684</u>
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u><u>79,474</u></u>	<u><u>47,684</u></u>	<u><u>79,474</u></u>	<u><u>47,684</u></u>

Explanation of Estimate: Section 4 of LB 354 increases the maximum award for a single claim paid under the Crime Victim’s Reparations (CVR) Act from \$10,000 to \$25,000 and specifies that the breakdown is \$10,000 for funeral expenses, \$20,000 for medical expenses, and \$5,000 for other related costs.

The current limits for claims paid under the Crime Victim’s Reparations Act are \$5,000 for funeral expenses (as defined in rules and regulations) and \$10,000 for medical expenses.

For calendar year 2014, the CVR program paid \$45,000 for 9 funerals. Assuming the maximum for each funeral was \$10,000 and each claim requested the maximum amount, the cost of those 9 funerals would be \$90,000. Also during calendar year 2014, the CVR program received 5 claims that requested more than the \$10,000 maximum for medical expenses. If the maximum for medical expenses was \$20,000 during calendar year 2014, the increased cost for medical claims would total \$34,474. The total increased costs for funeral and medical expenses is therefore \$79,474 (45,000 funeral and 34,474 medical).

Nebraska’s CVR program is awarded a federal grant each year that is calculated as 60% of the amount expended from state funds for claims. For example, if the state disbursed \$300,000 in state funds for CVR claims in FY 14-15, a federal award of \$180,000 would be received the following year.

Therefore, the net effect of expending \$79,474 additional state funds would actually be \$31,790 because federal funds of \$47,484 (79,474 x .60) would be received the following year.

For the purposes of easily illustrating the additional expenditures and revenue, I showed the revenue being received in the same fiscal year as the expenditures. Actually, the revenue would trail the expenditures by approximately 6 to 9 months, because our CVR program has to certify to the federal government the amount of state funds expended. Then the federal award is calculated and awarded to us.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2015-16 EXPENDITURES</u>	<u>2016-17 EXPENDITURES</u>
	<u>15-16</u>	<u>16-17</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	<u>79,474</u>	<u>79,474</u>
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____

TOTAL.....

79,474

79,474