

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2016-17		FY 2017-18	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS			(\$311,664)	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS			(\$311,664)	

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

LB1044 terminates the Commission of Industrial Relations (CIR) on July 1, 2017. LB1044 also states that termination of the commission does not eliminate or in any way restrict the right of employees to strike.

The immediate impact of LB1044 is a savings to the General Fund in the amount of the CIR's budget less one-time payouts for vacation and sick leave. The CIR has estimated the savings to be \$311,664. The estimate appears reasonable.

Technical Note. Section 48-802 prohibits governmental employees in Nebraska from striking.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 1044	AM:	AGENCY/POLT. SUB: City of Omaha	
REVIEWED BY: Elton Larson		DATE: 2/4/16	PHONE: 471-4173
COMMENTS: Fiscal impact of LB 1044 other than elimination of the appropriation for CIR in FY18 likely to occur outside the timeframe covered by the fiscal note.			

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB:1044 Revised	AM:	AGENCY/POLT. SUB: CIR	
REVIEWED BY: Elton Larson		DATE: 1/29/16	PHONE: 471-4173
COMMENTS: CIR analysis and estimate of fiscal impact appear reasonable.			

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES		
LB: 1044	AM:	AGENCY/POLT. SUB: University of Nebraska
REVIEWED BY: Elton Larson	DATE: 1/29/16	PHONE: 471-4173
COMMENTS: No basis to disagree with NU's analysis.		

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES		
LB: 1044	AM:	AGENCY/POLT. SUB: Administrative Services
REVIEWED BY: Elton Larson	DATE: 1/27/16	PHONE: 471-4173
COMMENTS: I concur with DAS analysis and reference to potential fiscal impact .		

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

2016

LB⁽¹⁾ 1044 (Amended)

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Commission of Industrial Relations

Prepared by: ⁽³⁾ Annette Hord

Date Prepared: ⁽⁴⁾ 01/28/2016

Phone: ⁽⁵⁾ (402) 471-2934

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2016-17</u>		<u>FY 2017-18</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$00.00	\$00.00	-311,664	-\$5,000
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u>\$00.00</u>	<u>\$00.00</u>	<u>-311,664</u>	<u>-\$5,000</u>

Explanation of Estimate:

This estimate for 2017-2018 is based upon proposed spending for the 2016-2017 budget year, decreased by the amount needed to be paid out to two employees who meet the requirements for a payout upon retirement of 1/4 of their sick leave and benefits. There could also be funds needed to shut down an agency, such as equipment and furniture disposal, records retention, and other such expenses, but I have no way to estimate how much would be needed for those expenses.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2016-17</u>	<u>2017-18</u>
	<u>16-17</u>	<u>17-18</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Per-Diem Commissioners	5	5	\$00.00	-\$69,644
Clerk/Administrator	1	1	\$00.00	-\$45,506
Legal Counsel	1	1	\$00.00	-52,530
Administrative Assistant	1	1	\$00.00	-\$31,842
Benefits.....			\$00.00	-\$64,170
Operating.....			\$00.00	-42,232
Travel.....			\$00.00	-5,740
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			<u>\$00.00</u>	<u>-\$311,664</u>

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

2016

LB⁽¹⁾ 1044

FISCAL NOTE

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

Prepared by: ⁽³⁾ Michael Justus Date Prepared: ⁽⁴⁾ January 27, 2016 Phone: ⁽⁵⁾ 402-472-2191

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2016-17</u>		<u>FY 2017-18</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

The bill would eliminate the Court of Industrial Relations (CIR). Without a CIR, if the University and one of its unions were to reach impasse, we would be required to pursue further remedies in District Court. This would result in higher costs than the CIR, but the likelihood and increased costs are not determinable.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2016-17</u>	<u>2017-18</u>
	<u>16-17</u>	<u>17-18</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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

2016

LB⁽¹⁾ 1044

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Department of Administrative Services (DAS) - Employee Relations Division

Prepared by: ⁽³⁾ William J. Wood Date Prepared: ⁽⁴⁾ 1-22-16 Phone: ⁽⁵⁾ 402-471-4106

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2016-17</u>		<u>FY 2017-18</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

LB 1044 terminates the Commission of Industrial Relations on July 1, 2017. It indicates that the termination of the Commission does not eliminate or in any way restrict the right of employees to strike. The strike provision amends Neb. Rev. Stat. Sec. 48-803 and conflicts with Neb. Rev. Stat. Section 48-802 that prohibits governmental employees from striking. It is unclear as to how this conflict should be resolved. The State Employees Collective Bargaining Act utilizes the Commission to resolve issues that result in impasse. The Commission serves as the step between mediation and an appeal to the Supreme Court. Elimination of the Commission would leave the State and employees included in bargaining units without a mechanism to resolve impasse situations that are not resolved in mediation.

This could result in increased appeals and litigation, thus creating the potential for future unknown costs. Further, the potential cost created by granting State employees the right to strike is unknown as is any potential harm to the public as a result of a strike. Particularly impacted would be 24-hour care facilities (Regional Centers and Veterans' Homes), Youth Treatment Centers, Correctional Services facilities, and law enforcement, further increasing the liability to the State.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2016-17</u>	<u>2017-18</u>
	<u>16-17</u>	<u>17-18</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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

2016

LB⁽¹⁾ 1044

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

City of Omaha

Prepared by: ⁽³⁾ Tyler Leimer

Date Prepared: ⁽⁴⁾ 1/28/2016

Phone: ⁽⁵⁾ 402-444-4514

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2016-17</u>		<u>FY 2017-18</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate: **NO FISCAL IMPACT**

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2016-17</u>	<u>2017-18</u>
	<u>16-17</u>	<u>17-18</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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

2016

LB⁽¹⁾ 1044

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Nebraska State College System (NSCS)

Prepared by: ⁽³⁾ Carolyn Murphy

Date Prepared: ⁽⁴⁾ 01/27/2016

Phone: ⁽⁵⁾ 402-471-2505

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2016-17</u>		<u>FY 2017-18</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

The NSCS is unable to determine the fiscal impact as an employer until the related consequences for the Industrial Relations Act and the State Employees Collective Bargaining Act are known.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2016-17 EXPENDITURES</u>	<u>2017-18 EXPENDITURES</u>
	<u>16-17</u>	<u>17-18</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____