

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2019-20		FY 2020-21	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS			\$1,000,000	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS			\$1,000,000	

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

LB642 would establish the Brain Injury Trust Fund Act. The Act creates a Brain Injury Trust Fund. The fund would consist of appropriations from the Legislature, transfers authorized by the Legislature, grants, and any contributions designated for the purpose of the fund. The fund is to be administered through a contract with the University of Nebraska Medical Center (UNMC) for administration, accounting and budgeting purposes, and used to pay for contracts for assistance for individuals with a brain injury with outside sources that specialize in the area of brain injury. No more than 10% of the fund is to be used for administration.

LB642 would also create a 12-member Brain Injury Oversight Committee which shall:

- Provide financial oversight and direction to UNMC in the management of the trust fund;
- Develop criteria for expenditures from the trust fund;
- Represent the interests of individuals with a brain injury and their families through advocacy, education, training, rehabilitation, research, and prevention.

LB642 states the intent of the Legislature to appropriate \$1,000,000 from the Nebraska Health Care Cash Fund annually beginning in FY2020-21.

The University of Nebraska indicates that of the \$1,000,000 annual appropriation, \$99,600 will be expended for administration and \$900,600 will be expended for grants and contracts.

The Department of Health and Human Services (DHHS) indicates that if the Brain Injury Oversight Committee is the entity that contracts with UNMC, then the only fiscal impact is the inclusion of the Directors of Public Health and Behavioral Health on the committee which would be absorbed by DHHS. If DHHS is responsible for contracting with UNMC then costs for personnel is estimated at \$3,600 General Funds.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 642 AM: AGENCY/POLT. SUB: Department of Health and Human Services (DHHS)

REVIEWED BY: Elton Larson

DATE: 3/8/2019

PHONE: (402) 471-4173

COMMENTS: LB 642 states an intent to appropriate \$1,000,000 from the Nebraska Health Care Cash Fund to the Brain Injury Trust Fund. The Brain Injury trust Fund is created in LB 642. The statement of intent does not provide a valid mechanism to create a balance in the newly created Brain Injury Trust Fund. The bill lacks the required transfer of funds from the Nebraska Health Care Cash Fund to the Brain Injury Trust Fund in order to operationalize LB 642. Transfers from Nebraska Tobacco Settlement Trust Fund and the Nebraska Medicaid Intergovernmental Trust Fund (IGT) to the Nebraska Health Care Cash Fund in the amount of \$1,000,000 for FY 2020-21 and each fiscal year thereafter are included in LB 642. This increased draw on the tobacco settlement and IGT funds, and ultimately the Nebraska Health Care Cash Fund, exceeds the ability to maintain the funds into perpetuity as evidenced by the biennial report from the Nebraska Investment Council to the Legislature regarding the sustainability of the Nebraska Health Care Cash Fund. The increased reliance on the Nebraska Health Care Cash Fund is not sustainable. The Investment Council report can be found at:https://nebraskalegislature.gov/FloorDocs/105/PDF/Agencies/Investment_Council/139_20180919-102153.pdf

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2019

LB⁽¹⁾ 642

FISCAL NOTE

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

Prepared by: ⁽³⁾ Michael Justus Date Prepared: ⁽⁴⁾ January 30, 2019 Phone: ⁽⁵⁾ 402.472-7109

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2019-20</u>		<u>FY 2020-21</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	1,000,000	1,000,000
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>_____</u>	<u>_____</u>	<u>1,000,000</u>	<u>1,000,000</u>

Explanation of Estimate:

LB642 would create the Brain Injury Trust Fund from the Nebraska Health Care Cash Fund. One million dollars would be appropriated annually beginning in FY 2020-21 and no more than ten percent of the fund would be used for administration of the fund. The fund shall be administered by UNMC and used to pay for contracts for assistance for individuals with a brain injury with outside sources that specialize in the area of brain injury.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2019-20</u>	<u>2020-21</u>
	<u>19-20</u>	<u>20-21</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Associate Professor	_____	0.10	_____	30,000
Coordinator	_____	0.50	_____	30,000
Office Associate	_____	0.25	_____	10,000
Benefits.....	_____	_____	_____	19,600
Operating.....	_____	_____	_____	10,000
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
Contract expenditures	_____	_____	_____	900,400
TOTAL.....	_____	_____	_____	<u>1,000,000</u>

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:

POSITION TITLE	NUMBER OF POSITIONS		2019-2020	2020-2021
	19-20	20-21	EXPENDITURES	EXPENDITURES
Health Manager I	0	.04	\$0	\$2,023
Benefits.....			\$0	\$692
Operating.....			\$0	\$885
Travel.....				
Capital Outlay.....				
Aid.....				
Capital Improvements.....				
TOTAL.....			\$0	\$3,600