

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2021-22</b>		<b>FY 2022-23</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	\$25,000			
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$25,000			

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

LB419 would provide tenants with a right to court-appointed legal counsel during eviction proceedings. Additionally, a \$50 eviction proceeding fee would be assessed for each eviction proceeding filed in a county or district court. The filing fee would be remitted to the general fund of the county as provided by 33-106.02.

The Supreme Court has indicated the bill would require modifications to the Judicial Branch case management system (JUSTICE) which is estimated to be a one-time General Fund expenditure of \$25,000 in FY22. Additionally, the agency estimates there would be an increase in workload due to additional hearings, however fiscal impact of this is undeterminable at this point in time.

Historically, JUSTICE expenditures have come from the Court Automation Cash Fund. The Court stated that the balance has been decreasing so any expenditures that would historically come from the cash fund will now be shown as General Funds on the Court's fiscal note responses. The FY20 balance in the Court Automation Cash Fund was just under \$817,000, down from \$1.3 million in FY19.

There is no basis to disagree with their estimate, other than to change the fund source from General to cash funds.

The State Treasurer does not anticipate a fiscal impact.

Lancaster County estimates a \$2.4 million increase in costs based on an estimate of 2,000 matters coming before the court each year. They county also outlines various unknowns that could change the cost substantially.

Douglas County provided an estimate of \$1.05 million based on an estimated 5,600 cases where a court-appointed legal counsel would be utilized with five (5) billable hours per case at \$50 per hour less the \$50 reimbursement for each proceeding.

A basis to disagree with the estimates provided by the entities listed above is absent.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>		
<b>LB: 419</b>	<b>AM:</b>	<b>AGENCY/POLT. SUB: Nebraska Supreme Court (05)</b>
REVIEWED BY: Joe Wilcox	DATE: 02/02/2021	PHONE: (402) 471-4178
COMMENTS: No basis to dispute the Nebraska Supreme Court estimate of one-time Fiscal Impact to the Agency from LB 419		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
<b>LB: 419</b>	<b>AM:</b>	AGENCY/POLT. SUB: <b>Nebraska State Treasurer (12)</b>
REVIEWED BY: Joe Wilcox	DATE: 01/26/2021	PHONE: (402) 471-4178
COMMENTS: No basis to dispute the Nebraska State Treasurer estimate of No Fiscal Impact to the Agency from LB 419.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
<b>LB: 419</b>	<b>AM:</b>	AGENCY/POLT. SUB: <b>Lancaster County</b>
REVIEWED BY: Joe Wilcox	DATE: 01/22/2021	PHONE: (402) 471-4178
COMMENTS: No basis to dispute the Lancaster County estimate of potential Fiscal Impact to the County from LB 419.		

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

2021

LB<sup>(1)</sup> 419

FISCAL NOTE

State Agency OR Political Subdivision Name: <sup>(2)</sup> Supreme Court

Prepared by: <sup>(3)</sup> Eric Asboe Date Prepared: <sup>(4)</sup> 2/1/21 Phone: <sup>(5)</sup> 402-326-9215

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

	<u>FY 2021-22</u>		<u>FY 2022-23</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	25,000			
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>25,000</b>			

Explanation of Estimate:

LB419 would require modifications to JUSTICE, the Judicial Branch case management system. Estimated one-time General Fund expenditure: \$25,000. LB419 is also estimated to increase judicial and court staff workload for additional hearings. However, the fiscal impact of this increase cannot be determined at this time.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22</u>	<u>2022-23</u>
	<u>21-22</u>	<u>22-23</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....				
Operating.....			25,000	
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
<b>TOTAL.....</b>			<b>25,000</b>	

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

**2021**

**LB<sup>(1)</sup> 419**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> State Treasurer

Prepared by: <sup>(3)</sup> Jason Walters Date Prepared: <sup>(4)</sup> January 21, 2021 Phone: <sup>(5)</sup> 402-471-2793

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

	<u>FY 2021-22</u>		<u>FY 2022-23</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>	=====	=====	=====	=====

**Explanation of Estimate:**

The State Treasurer's Office doesn't expect any fiscal impact from LB 419 to the office.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22</u>	<u>2022-23</u>
	<u>21-22</u>	<u>22-23</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
<b>TOTAL.....</b>	_____	_____	_____	_____

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

2021

LB<sup>(1)</sup> 419

FISCAL NOTE

State Agency OR Political Subdivision Name: <sup>(2)</sup> Lancaster County

Prepared by: <sup>(3)</sup> Dennis Meyer Date Prepared: <sup>(4)</sup> 1-22-21 Phone: <sup>(5)</sup> 402-441-6869

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2021-22</u>		<u>FY 2022-23</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	2,400,000		2,400,000	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Explanation of Estimate:

The \$2.4 million increase is an estimated number and could be on the low end for costs for Lancaster County. Information was limited due to the time frame to complete the fiscal note. Eviction matters take place in both the County Court and the District Court. The District Court sees about 10 to 15 eviction matters per year while the County Court had 1,976 matters in 2019 and 1,256 in 2020. 2020 was an atypical year due to the eviction moratorium(s). We would estimate 2,000 matters per year.

Lancaster County would pay outside counsel to handle these matters. Lancaster County currently pays \$2.2 million to outside legal counsel due to the number of cases in the court system. Attorney time is billed between \$60 and \$75 per hour in County Court.

Another unknown is the number of hours per matter. The number of hours really drives what the cost would be, and it could change the amount substantially.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22</u>	<u>2022-23</u>
	<u>21-22</u>	<u>22-23</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.

**2021**

**LB419**<sup>(1)</sup> *Require appointment of counsel in eviction proceedings and provide for a filing fee*

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> DOUGLAS COUNTY, NEBRASKA

Prepared by: <sup>(3)</sup> Marcos San Martin, County Administration Date Prepared: <sup>(4)</sup> 2/2/2021 Phone: <sup>(5)</sup> 402.444.5116

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

	<u>FY 2021-22</u>		<u>FY 2022-23</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

Explanation of Estimate:

**NEGATIVE (DETRIMENTAL) FISCAL IMPACT TO DOUGLAS COUNTY**

LB419 creates a cost-mandate to the counties by requiring a county to appoint and pay for the cost of counsel for individuals in eviction hearings. In Douglas County, approximately 7000 County Court civil cases annually are eviction proceedings. The current appointed-counsel hourly rate in Douglas County Court is \$50 per hour. This bill will result in a severely underfunded mandate to counties.

Example, on an annual basis, if 80% of individuals with a pending eviction action (5600 cases) chose court-appointed counsel instead of paying privately for counsel, with only five hours of billable time per case, the County would have a newly mandated cost (less the reimbursement provided from filing fees) of nearly an additional \$1.05 million dollars (\$1,050,000).

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22 EXPENDITURES</u>	<u>2022-23 EXPENDITURES</u>
	<u>21-22</u>	<u>22-23</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____