

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2022-23		FY 2023-24	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS	\$33,000,000			
OTHER FUNDS				
TOTAL FUNDS	\$33,000,000			

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

LB 1066, if passed, will appropriate \$28,000,000 in federal funds from the State of Nebraska’s Coronavirus State Fiscal Recovery Fund under the American Rescue Plan Act of 2021 (ARPA) to the University of Nebraska to be distributed to the Behavioral Health Education Center of Nebraska (BHECN) at the University of Nebraska Medical Center (UNMC). BHECN would use those funds to address Nebraska’s urgent behavioral health care needs caused by the COVID-19 pandemic. These measures include a behavioral health internship program, a telehealth support program, COVID-19-specific behavioral health education, and support of provisionally licensed behavioral health professionals.

BHECN would use the \$28,000,000 as follows:

- \$13,000,000 – support to qualified internship programs for behavioral health trainees
- \$10,000,000 – tele-behavioral health programs training & technology; distance-based behavioral health services
- \$3,000,000 – provide one-time training and professional development; recruitment of students to behavioral health programs
- \$2,000,000 – support to provisionally licensed professionals, who need additional supervision to become fully licensed.
- \$28,000,000

LB 1066 would also appropriate \$5,000,000 of Nebraska’s federal ARPA funds to the Department of Health and Human Services (DHHS) to fund grants of up to \$250,000 each to expand access to behavioral health acute care beds in rural areas of Nebraska. This bill creates a new grant program which would require one Program Manager to set up, monitor, and report on the grants. Administrative costs are assumed to be included in the appropriation, but the funding available for grants would be reduced by total administrative costs. Total salary, benefits, and operational expenses are estimated at \$106,461 per year from FY22-23 through FY25-26. Any expense incurred after December 31, 2026 cannot be funded with ARPA dollars. Some administrative costs will be incurred after that date to confirm that federal reporting and closeout requirements are met.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE				
LB:	1066	AM:	AGENCY/POLT. SUB: Nebraska Department of Health and Human Services	
REVIEWED BY:	Gary Bush	DATE:	2/9/22	PHONE: (402) 471-4161
COMMENTS: No basis to disagree with the estimate provided by the agency. The maximum funding available under the federal Coronavirus State Fiscal Recovery Fund is \$1.04 billion, of which only \$520 million is currently available. Appropriation of these funds must be balanced in aggregate in order to avoid over obligation. Technical Note: The language in section 2 and 3 of the bill does not provide the level of detail necessary to enact the appropriations intended.				

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

LB: 1068 AM: AGENCY/POLT. SUB: University of Nebraska

REVIEWED BY: Gary Bush DATE: 2/1/22 PHONE: (402) 471-4161

COMMENTS: Agree with University that the bill provides ARPA federal funds.
The maximum funding available under the federal Coronavirus State Fiscal Recovery Fund is \$1.04 billion, of which only \$520 million is currently available. Appropriation of these funds must be balanced in aggregate in order to avoid over obligation.

Technical Note: The language in section 1 of the bill does not provide the level of detail necessary to enact the appropriations intended

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

Prepared by: (3) John Meals

Date Prepared 2-9-2022

Phone: (5) 471-6719

	<u>FY 2022-2023</u>		<u>FY 2023-2024</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS	\$5,000,000			
OTHER FUNDS				
TOTAL FUNDS	\$5,000,000			

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

Explanation of Estimate:

LB 1066 appropriates \$5,000,000 to the Department of Health and Human Services to provide grant funds to expand access to behavioral health acute care beds in rural areas of Nebraska. This funding will be from Federal funds provided to the State of Nebraska through the American Rescue Plan Act of 2021 (ARPA).

LB 1066 also appropriates \$28,000,000 directly to the University of Nebraska and is not included in this fiscal note.

LB 1066 creates a new grant program requiring one (1) Program Manager II to set up and monitor these grants as well as to learn and follow the American Rescue Plan Act (ARPA) guidelines with requisite subsequent reporting. The cost of this position is assumed to be included in the appropriated amount but administrative expenses must still be made under Program 033 – Administration. The amount of funding available for grants will be reduced by the total administrative costs.

The annual cost for program administration is as follows:

Position	FY 22-23	FY 23-24	FY 24-25	FY 25-26
DHHS Program Manager II	\$62,618	\$62,618	\$62,618	\$62,618
Benefits	\$20,038	\$20,038	\$20,038	\$20,038
Operations	\$23,805	\$23,805	\$23,805	\$23,805
Total Estimated Costs	\$106,461	\$106,461	\$106,461	\$106,461

It is expected that the majority of program duties would continue until the obligation deadline of December 31, 2024 with administrative follow-up duties to occur until the expenditure deadline of December 31, 2026. After this date, there will be additional program administration duties to confirm that federal reporting and closeout requirements are met. Any costs incurred after the federal deadline cannot be funded with American Rescue Plan Act; State and Local Fiscal Recovery Funds.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:				
POSITION TITLE	NUMBER OF POSITIONS		2022-2023	2023-2024
	22-23	23-24	EXPENDITURES	EXPENDITURES
DHHS Program Specialist				

Benefits.....		
Operating.....		
Travel.....		
Capital Outlay.....		
Aid.....		
Capital Improvements.....		
TOTAL.....	\$5,000,000	\$0

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2022

LB ⁽¹⁾ 1066 Appropriate federal funds to the Department of Health and Human Services and the University of Nebraska for behavioral health care services **FISCAL NOTE**

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

Prepared by:⁽³⁾ Chris Kabourek Date Prepared:⁽⁴⁾ 01/25/2022 Phone:⁽⁵⁾ (402) 472-7102

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2022-23		FY 2023-24	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	0.00	0.00	0.00	0.00
CASH FUNDS	0.00	0.00	0.00	0.00
FEDERAL FUNDS	28,000,000.00	0.00	0.00	0.00
OTHER FUNDS	0.00	0.00	0.00	0.00
TOTAL FUNDS	28,000,000.00	0.00	0.00	0.00

Explanation of Estimate:

LB1066, if passed, will appropriate \$28 million in federal funds from the State of Nebraska's Coronavirus State Fiscal Recovery Fund under the American Rescue Plan Act of 2021 to the University of Nebraska to be distributed to the Behavioral Health Education Center of Nebraska (BHECN) at the University of Nebraska Medical Center. BHECN will use those funds to address Nebraska's urgent behavioral health care needs caused by the COVID-19 pandemic. Specifically, BHECN will be addressing behavioral health workforce shortages through a comprehensive behavioral health internship program, a telebehavioral health support program, COVID-19-specific behavioral health education, and training, and through supporting provisionally licensed behavioral health professionals.

BHECN will use approximately \$13,000,000 to provide support to qualified internship programs for behavioral health trainees to ensure they are successfully completing their degree programs and becoming fully licensed professionals. This funding will also be used to provide support to their supervisors, recognizing that supervision is a critical component of training the workforce. Approximately \$10,000,000 will be used to distribute to telebehavioral health programs on a competitive basis to ensure behavioral health professionals in rural areas of the state have the training and technology needed to provide distance-based behavioral health services. Approximately \$3,000,000 will be used to provide one-time training and education funds to provide professional development opportunities related to the COVID-19 emergency for current behavioral health professionals and provide educational opportunities for students by recruiting and educating students in behavioral health training programs. Finally, \$2,000,000 will be used to provide support to provisionally licensed professionals, who need additional supervision to become fully licensed professionals.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2022-23	2023-24
	22-23	23-24	EXPENDITURES	EXPENDITURES
	0	0		
	0	0		
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....			28,000,000.00	
Aid.....				
Capital improvements.....				
TOTAL.....			28,000,000.00	