

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				
OTHER FUNDS				
TOTAL FUNDS				

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

At present, LB 1050 would have a minimal fiscal impact on the University of Nebraska system, as the campuses are already in compliance with the Code of Conduct Standards as prescribed by the bill. LB 1050, if passed, would provide for multiple remedies in the event that a public postsecondary institution discriminated against student organizations based on their viewpoints, beliefs, and missions. These remedies include:

1. Actual damages;
2. Other equitable or declaratory relief (e.g. injunction); and
3. Reasonable attorney’s fees and other reasonably incurred litigation costs.

There could be a potential, but undetermined, fiscal impact in the form of: (1) reviewing and revising existing policies and bylaws to ensure compliance, and (2) attorney’s fees and litigation costs resulting from right of action provided for students and student organizations. It is difficult to estimate the possible recovery available to a plaintiff should this bill become law; however, the cost of litigation could be quite costly, regardless of actual damages.

The Nebraska State College system responded with a similar assessment of impact, noting that they would not expect an influx of claims, but would have no way of knowing what groups might believe they have been aggrieved by a perceived violation.

The Nebraska Community Colleges Association has not submitted specific comments as of this writing, but is presumed to operate and react in a similar fashion. Any fiscal impact experienced would be incurred internally or through the impacted local political subdivision.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE				
LB:	1050	AM:	AGENCY/POLT. SUB: Nebraska State College System	
REVIEWED BY:	Gary Bush	DATE:	1/31/22	PHONE: (402) 471-4161
COMMENTS: No basis to disagree with estimate provided by the State Colleges.				

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE				
LB:	1050	AM:	AGENCY/POLT. SUB: University of Nebraska	
REVIEWED BY:	Gary Bush	DATE:	1/31/22	PHONE: (402) 471-4161
COMMENTS: No basis to disagree with estimate provided by the University.				

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

2022

LB⁽¹⁾ 1050

FISCAL NOTE

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

Prepared by: ⁽³⁾ Monte R. Kramer Date Prepared: ⁽⁴⁾ 1-20-22 Phone: ⁽⁵⁾ 402-471-2507

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2022-23</u>		<u>FY 2023-24</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 fiscal impact of LB1050 cannot be determined with any specificity. However, LB1050 creates a cause of action against the State Colleges by any student or student organization seeking relief including actual damages, attorney's fees and other litigation costs. Regardless of the merits of any such litigation, at a minimum the Colleges would incur defense costs. The potential for additional causes of action under existing state and federal discrimination laws and Title IX for the actions of student organizations is also increased.

Although the Colleges maintain general liability insurance coverage, the Colleges would be responsible for the \$150,000 retention for each such cause of action. Additional liability exposure created under LB1050 may also result in increased insurance premiums.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2022-23</u>	<u>2023-24</u>
	<u>22-23</u>	<u>23-24</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.

LB ⁽¹⁾ 1050 Prohibit public postsecondary institutions from discriminating against student organizations based on viewpoints, beliefs, and missions

FISCAL NOTE

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

Prepared by:⁽³⁾ Chris Kabourek

Date Prepared:⁽⁴⁾ 01/26/2022

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	0.00	0.00	0.00	0.00
OTHER FUNDS	0.00	0.00	0.00	0.00
TOTAL FUNDS	0.00	0.00	0.00	0.00

Explanation of Estimate:

At present, LB 1050 would have a minimal fiscal impact on the University of Nebraska System, as the campuses are already in compliance with the Code of Conduct Standards as prescribed by the bill. LB1050, if passed, would provide for multiple remedies in the event that a public postsecondary institution discriminated against student organizations based on their viewpoints, beliefs, and missions. These remedies include:

1. Actual damages;
2. Other equitable or declaratory relief (e.g. injunction); and
3. Reasonable attorney's fees and other litigation costs reasonably incurred.

There could be a potential, but undetermined, fiscal impact in the form of: (1) reviewing and revising, as necessary, existing policies and bylaws to ensure compliance, and (2) attorneys fees and litigation costs resulting from right of action provided for students and student organizations. It is exceedingly difficult to estimate the possible recovery available to a plaintiff if this were to become law, although it is possibly significant. The cost of the litigation could be particularly costly, regardless of what actual damages might be determined to be.

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.....				
Aid.....				
Capital improvements.....				
TOTAL.....				