

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

| <b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates) |                   |         |                   |         |
|---|-------------------|---------|-------------------|---------|
|   | <b>FY 2024-25</b> |         | <b>FY 2025-26</b> |         |
|   | EXPENDITURES      | REVENUE | EXPENDITURES      | REVENUE |
| GENERAL FUNDS   | \$427,830         |         | \$148,616         |         |
| CASH FUNDS  |                   |         |                   |         |
| FEDERAL FUNDS   |                   |         |                   |         |
| OTHER FUNDS   |                   |         |                   |         |
| <b>TOTAL FUNDS</b>  | <b>\$427,830</b>  |         | <b>\$148,616</b>  |         |

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

This bill would require the Department of Health and Human Services (DHHS) and the Office of Probation Administration within the Nebraska Supreme Court to ensure specific records are kept on each case to which the Nebraska Indian Child Welfare Act applies and require DHHS and Probation to provide a report of deidentified data to the Commission on Indian Affairs annually, on or before December 1 each year beginning December 1, 2025. The effective date of this legislation is on or before December 1, 2025.

The cost to the Supreme Court totals to \$285,000 in FY25 only. This includes updates to two systems, JUSTICE and the NPACS probation management system, plus one-time costs to train staff on the changes. The estimated costs for system updates appear to be high and may not reflect the scope of the changes. More investigation into what would need to be accomplished to achieve the capabilities to report as the bill requires is needed to produce a more realistic estimate.

The cost to DHHS totals to \$142,830 in FY25 and \$148,616 in FY26. This includes updates to NFOCUS completed over two years for \$54,200, a permanent Program Accuracy Specialist starting in October 2024, and a temporary CQI Program Accuracy Specialist for both years to manually review the process as the system updates are being done. The ongoing cost to DHHS beginning in FY27 is estimated to be \$83,441 to sustain the one permanent staff person. If the implementation date is delayed long enough to allow for the agency to complete technology updates, the temporary staff would not be needed saving \$98,370 over two years.

| <b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>                |              |       |  |                       |
|---|--------------|-------|--|-----------------------|
| LB:   | 911          | AM:   | AGENCY/POLT. SUB: Nebraska Supreme Court |                       |
| REVIEWED BY:  | Ann Linneman | DATE: | 2-12-2024                                | PHONE: (402) 471-4180 |
| COMMENTS: The Nebraska Supreme Court's assessment of fiscal impact seems reasonable given the assumptions used. |              |       |  |                       |

| <b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>                                       |              |       |  |                       |
|--|--------------|-------|--|-----------------------|
| LB:  | 911          | AM:   | AGENCY/POLT. SUB: Nebraska Department of Health & Human Services |                       |
| REVIEWED BY:   | Ann Linneman | DATE: | 2-14-2024  | PHONE: (402) 471-4180 |
| COMMENTS: The Nebraska Department of Health & Human Services' assessment of fiscal impact seems reasonable given the assumptions used. |              |       |  |                       |

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 2-13-2024

Phone: (5) 471-6719

|                    | <u>FY 2024-2025</u> |            | <u>FY 2025-2026</u> |            |
|--------------------|---------------------|------------|---------------------|------------|
|                    | EXPENDITURES        | REVENUE    | EXPENDITURES        | REVENUE    |
| GENERAL FUNDS      | \$142,830           |            | \$148,616           |            |
| CASH FUNDS         |                     |            |                     |            |
| FEDERAL FUNDS      |                     |            |                     |            |
| OTHER FUNDS        |                     |            |                     |            |
| <b>TOTAL FUNDS</b> | <b>\$142,830</b>    | <b>\$0</b> | <b>\$148,616</b>    | <b>\$0</b> |

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

Explanation of Estimate:

LB911 requires DHHS to collect and track data related to the Indian Child Welfare Act (ICWA). It also requires DHHS to provide an annual report of de-identified data to the Nebraska Commission on Indian Affairs.

Most of the information being requested by LB911 is already provided through the Adoption and Foster Care Analysis and Reporting System (AFCARS) federal report or maintained by the state court data systems. The information not currently included in a report or maintained by those systems would require system modifications to track and pull data from the Nebraska Family Online Client User System (NFOCUS). The costs associated with updating NFOCUS are shown in the table below and would be split between SFY2025 and SFY2026.

| <u>Resource</u>         | <u>Rate</u> | <u>Hours</u> | <u>Cost</u>     |
|-------------------------|-------------|--------------|-----------------|
| Gen Technical Analyst   | \$100       | 182          | \$18,200        |
| Batch Technical Analyst | \$100       | 200          | \$20,000        |
| Business Analyst        | \$80        | 200          | \$16,000        |
| <b>Total</b>            |             | <b>582</b>   | <b>\$54,200</b> |

The bill lists an operational date of December 1, 2025; DHHS can meet this date by implementing a manual review process, but this would cause additional fiscal impact in the first year. The manual review process would require CQI Supervisors 40 hours to develop and test a CQI tool, CQI Program Accuracy Specialists would require 2 hours training on the CQI tool, Attorney III would require 675 review hours annually (1.5 hours per case, 450 cases), Training Program Specialist would need 25 hours to develop ICWA documentation training for staff, Field Staff would need 2 training hours per Child & Family Services Specialist and Resource Developer, and ICWA Program Specialist would need 4 hours to develop documentation guidance and 5 hours to compile an annual report. These costs could be absorbed into their regular work hours.

As the NFOCUS changes will not be complete prior to the initial report date, DHHS will have to review all cases manually to read case narratives. The department would need to hire 1 permanent CQI Program Accuracy Specialists and 1 temporary CQI Program Accuracy Specialist to satisfy the necessary 3,600 annual review hours required (8 hours/case, 450 cases) through the manual review process in the first year. Once the technology changes are complete and the first report has been submitted, DHHS would only need to maintain the 1 permanent FTE CQI staff to conduct reviews of the data prior to the report. The cost of the temporary staff is \$98,370, \$57,865 in fiscal year 2025 and \$40,505 in fiscal year 2026 and is included in the operating costs below.

Based on the complexity of the reviews, additional staff may be needed to review and compile the data required in this report. The cost of the permanent staff would come from general funds and is listed below.

**MAJOR OBJECTS OF EXPENDITURE**

PERSONAL SERVICES:

| POSITION TITLE                       | NUMBER OF POSITIONS |       | 2024-2025        | 2025-2026        |
|--------------------------------------|---------------------|-------|------------------|------------------|
|                                      | 24-25               | 25-26 | EXPENDITURES     | EXPENDITURES     |
| C72180 – Program Accuracy Specialist | 0.75                | 1.0   | \$33,830         | \$47,362         |
| Benefits.....                        |                     |       | \$11,841         | \$16,577         |
| Operating.....                       |                     |       | \$97,159         | \$84,677         |
| Travel.....                          |                     |       |                  |                  |
| Capital Outlay.....                  |                     |       |                  |                  |
| Aid.....                             |                     |       |                  |                  |
| Capital Improvements.....            |                     |       |                  |                  |
| <b>TOTAL.....</b>                    |                     |       | <b>\$142,830</b> | <b>\$148,616</b> |

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**2024**

**LB<sup>(1)</sup> 911**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> 05 Supreme Court

Prepared by: <sup>(3)</sup> Eric Asboe Date Prepared: <sup>(4)</sup> 2/12/2024 Phone: <sup>(5)</sup> 402-326-9215

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

|               | <u>FY 2024-25</u>   |                | <u>FY 2025-26</u>   |                |
|---------------|---------------------|----------------|---------------------|----------------|
|               | <u>EXPENDITURES</u> | <u>REVENUE</u> | <u>EXPENDITURES</u> | <u>REVENUE</u> |
| GENERAL FUNDS | See below           |                |                     |                |
| CASH FUNDS    |                     |                |                     |                |
| FEDERAL FUNDS |                     |                |                     |                |
| OTHER FUNDS   |                     |                |                     |                |
| TOTAL FUNDS   |                     |                |                     |                |

**Explanation of Estimate:**

LB911 fiscal impact:

- \$250,000 General Funds FY24-25 for one-time IT system modifications. \$125,000 for JUSTICE, the Judicial Branch case management system. \$125,000 for NPACS, the Probation case management system.
- \$35,000 one-time General Funds FY24-25 to train all Probation staff in LB911 requirements.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

| <u>POSITION TITLE</u>     | <u>NUMBER OF POSITIONS</u> |              | <u>2024-25</u>      | <u>2025-26</u>      |
|---------------------------|----------------------------|--------------|---------------------|---------------------|
|                           | <u>24-25</u>               | <u>25-26</u> | <u>EXPENDITURES</u> | <u>EXPENDITURES</u> |
| Benefits.....             |                            |              |                     |                     |
| Operating.....            |                            |              |                     |                     |
| Travel.....               |                            |              |                     |                     |
| Capital outlay.....       |                            |              |                     |                     |
| Aid.....                  |                            |              |                     |                     |
| Capital improvements..... |                            |              |                     |                     |
| <b>TOTAL.....</b>         |                            |              |                     |                     |