

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2024-25		FY 2025-26	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	See Below		See Below	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See Below		See Below	

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

LB 963 requires that, beginning January 1, 2025, the powers and duties of county attorneys and deputy county attorneys in each county shall be performed by district attorneys and deputy district attorneys. The Attorney General shall designate a district attorney for each of the district court judicial districts. All district attorneys, deputy district attorneys, and staff assigned by the Attorney General shall be full-time employees of the Office of the Attorney General and shall not engage in the private practice of law.

The Attorney General is unable to estimate the number of deputy district attorneys and support staff personnel. There are currently 12 districts for which the Attorney General will designate district attorneys. Due to the uncertainty regarding other staffing requirements, no cost estimate is available. It is assumed that these costs will be paid for with General Funds.

The Nebraska Association of County Officials (NACO) estimates aggregate savings for counties to be \$7,255,552 for county attorney costs and \$2,290,051 (for a total of \$9,545,603) for deputy county attorneys. NACO does not provide an estimated savings associated with other staff.

Lancaster County estimates a cost savings of \$5,150,300 for FY25 and \$10,300,600 for FY26. In addition, Lancaster County estimates revenue reductions of \$800,000 for FY25 and \$1,600,000 for FY26.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 963	AM:	AGENCY/POLT. SUB:	Secretary of State (009)
REVIEWED BY: Joe Wilcox	DATE: 01/05/2024	PHONE: (402) 471-4178	
COMMENTS: Do not disagree with the Secretary of State estimate of No Fiscal Impact to the Agency from LB 963.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 963	AM:	AGENCY/POLT. SUB:	Nebraska Attorney General (011)
REVIEWED BY: Joe Wilcox	DATE: 01/10/2024	PHONE: (402) 471-4178	
COMMENTS: No disagreement with the Nebraska Attorney General estimate of potential, but indeterminate Fiscal Impact to the Agency from LB 963.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 963	AM:	AGENCY/POLT. SUB: Nebraska Department of health and Human Services (025)
REVIEWED BY: Joe Wilcox	DATE: 02/02/2024	PHONE: (402) 471-4178
COMMENTS: Do not disagree with the rationale behind the Nebraska Department of Health and Human Services (DHHS) estimate of potential, but undetermined Fiscal Impact to the Agency from LB 963.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 963	AM:	AGENCY/POLT. SUB: Nebraska Association of County Officials
REVIEWED BY: Joe Wilcox	DATE: 01/16/2024	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the Nebraska Association of County Officials (NACO) estimate of potential Fiscal Impact to Nebraska Counties from LB 963.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 963	AM:	AGENCY/POLT. SUB: Lancaster County
REVIEWED BY: Joe Wilcox	DATE: 01/16/2024	PHONE: (402) 471-4178
COMMENTS: No disagreement with Lancaster County estimate of potential Fiscal Impact to the County from LB 963.		

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

2024

LB⁽¹⁾ 963

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Attorney General

Prepared by: ⁽³⁾ Josh Shasserre Date Prepared: ⁽⁴⁾ 1-10-24 Phone: ⁽⁵⁾ 402-471-2687

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	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

LB963 requires designation by the Attorney General of twelve district attorneys who shall serve as the county attorney for each of the counties contained within such district. The Attorney General may additionally assign deputy district attorneys and “support staff” to each district, all of whom would be considered full-time employees of the Attorney General’s Office. Understanding that many county attorney’s offices are presently understaffed, the number of deputy district attorneys and support staff necessitated by LB963 would likely approximate the aggregate number of deputy county attorneys and support staff presently employed in respective counties. The aggregate number of personnel and cost is not presently ascertainable.

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.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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 2-2-2024

Phone: (5) 471-6719

	<u>FY 2024-2025</u>		<u>FY 2025-2026</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below		See below	

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

Explanation of Estimate:

LB 963 would provide for powers and duties of county attorneys and deputy county attorneys to be performed by district attorneys and deputy district attorneys appointed by the Attorney General. The Department of Health and Human Services (DHHS) Child Support Enforcement (CSE) currently has subaward agreements with counties to assist in administering Nebraska’s Title IV-D child support program in accordance with the Social Security Act (42 U.S.C. 651 et seq.); Nebraska Revised Statutes including, but not limited to, §§ 43-512 through 43-512.18, §§ 43-1701 through 43-1743, and §§ 43-3301 through 43-3347.

These subawards allow counties to be reimbursed for work performed related to IV-D child support establishment and enforcement activities. Counties are eligible to claim federal reimbursement for allowable IV-D child support expenditures at the current federal financial participation rate of 66%. As part of the subaward, most County Attorney offices employ child support caseworkers to perform case management duties. This bill does not address who would assume the child support case management responsibilities. Currently, §43-1704 authorizes county attorneys to investigate and prosecute child, spousal, and medical support cases. If implemented, LB963 would transfer this responsibility from counties to the Attorney General. Additionally, §43-1704 would need to be amended to implement the provisions of this bill.

The Department has the responsibility to ensure that all IV-D cases are managed in accordance with federal and state laws. Caseworkers currently employed by the county attorney would need to be considered under LB963. If county workers no longer perform child support activities, DHHS will be required to assume case management functions. Currently, 59 County/Authorized Attorneys provide the legal services needed to establish and enforce child support orders for the Nebraska IV-D program. Counties currently employ 108 caseworkers who perform child support case management activities on approximately 39,000 cases in addition to other duties assigned by the counties. This represents nearly 41% of Nebraska’s IV-D caseload.

It is possible the Attorney General’s office will assume responsibility for case management. In this event, the department would expect the associated cost to remain similar.

Should the Department assume the management of 39,000 cases, DHHS would require the addition of 1 Office Technician, 2 Training Coordinators, 50 Child Support Enforcement Workers, 5 Child Support Enforcement Supervisors, and 1 DHHS Administrator I. The estimate acknowledges the current county case workers also perform additional duties and if the department were to assume responsibility for case management, approximately half the number of workers would be sufficient due to their singular focus on case management. Additional office space would also be required for these 59 new positions. However, the addition and training of 59 additional DHHS positions under LB963 would require significant time and resources to fill. These positions may not be filled and operating at full capacity by 01/01/2025, which could create delays and hardship for families needing child support services.

In addition to a transition of the staff, agreements currently in place with the counties would need to be terminated and agreements with the Attorney General would be needed to transition the work from the county attorneys to the districts.

The Department does not anticipate a need for additional appropriation since these services are already funded. In the event the department assumes responsibility for case management, the department would need the corresponding PSL. Estimated costs for 59 FTEs are \$3,002,350 in FY25 and \$4,203,151 in FY26.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:				
POSITION TITLE	NUMBER OF POSITIONS		2024-2025	2025-2026
	24-25	25-26	EXPENDITURES	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital Outlay.....				
Aid.....				
Capital Improvements.....				
TOTAL.....			\$0	\$0

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2024

LB⁽¹⁾ 963

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Lancaster County

Prepared by: ⁽³⁾ Dennis Meyer Date Prepared: ⁽⁴⁾ 1-11-24 Phone: ⁽⁵⁾ 402-441-6869

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	<u>(5,150,300)</u>	<u>(800,000)</u>	<u>(10,300,600)</u>	<u>(1,600,000)</u>
CASH FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
FEDERAL FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
OTHER FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Explanation of Estimate:

This bill would eliminate the County Attorney’s office – FY23-24 budget of expenditures is \$10,000,577 and budget of revenues is \$1,553,260. Net amount of \$8,447,317 on the Lancaster County budget. Amounts noted about are based on the start date of January 1, 2025 with a 3% increase.

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.....	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Operating.....	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Travel.....	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Capital outlay.....	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Aid.....	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Capital improvements.....	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL.....	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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2024

LB⁽¹⁾ 963

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Association of County Officials (NACO)

Prepared by: ⁽³⁾ Elaine Menzel Date Prepared: ⁽⁴⁾ 1/11/2024 Phone: ⁽⁵⁾ 402.434.5660

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	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

LB 963 would provide for the powers and duties of county attorneys and deputy county attorneys to be performed by district attorneys and deputy district attorneys appointed by the Attorney General; eliminate provisions relating to powers and duties and elections of county attorneys; and provide powers and duties for the Attorney General.

There is expected to be a decreased fiscal impact to counties well in excess of a reduction of \$7,255,552 county attorney 2023 salaries and \$2,290,051 deputy county attorney 2021 salaries only. This amount does not include other staff of county attorneys offices.

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.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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2024

LB⁽¹⁾ 963

FISCAL NOTE

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

Prepared by: ⁽³⁾ Joan Arnold Date Prepared: ⁽⁴⁾ 1/5/2024 Phone: ⁽⁵⁾ 402-471-2384

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	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

No Fiscal Impact

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.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____