

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2020-21		FY 2021-22	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	See Below			
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.

This bill would change provisions relating to standing to file a petition for a declaratory judgment. It would broaden the category of persons who have standing to seek relief.

The Supreme Court will need to provide judicial education but this is estimated as a minimal impact. They note that the workload could increase for the Lancaster County District Court, but they have no estimate of any impact at this time.

The Attorney General (AG) states that this bill would increase the number of suits filed each year against the State. Because such suits are currently barred, they are unable to project the number of future suits resulting from this bill.

The Department of Health and Human Services (HHS) states that currently the AG represents the State in declaratory judgments. HHS states that they would need to assist the AG in declaratory judgments.

HHS states that current agency staffing is sufficient to meet current litigation demands, but anything more than a minimal increase will require an additional position. This position would process, track, and provide information related to declaratory judgments.

The following tables itemize the estimate of HHS:

	FY2020-21	FY2021-22	FY2020-21	FY2021-22
ITEMS	Number of Positions		Expenditures	
Paralegal I	1.00	1.00	43,031	43,031
Benefits			15,878	15,878
Operating			19,204	19,204
TOTAL	1.00	1.00	78,113	78,113

By Fund Source:	FY2020-21	FY2021-22
GENERAL FUNDS	39,057	39,057
CASH FUNDS		
FEDERAL FUNDS	39,056	39,056
OTHER FUNDS		
TOTAL FUNDS	78,113	78,113

The intent of this bill is to broaden the category of persons who have standing to seek relief by a declaratory judgment. Therefore, it is reasonable to estimate that the impact of this bill could be to increase the number of declaratory judgments filed by more than just a minimal amount, as estimated by HHS.

However, it appears that HHS is saying that the Attorney General currently represents the State in declaratory judgments, but HHS would now have to assist the AG under the provisions of this bill. There does not appear to be anything in the bill that requires HHS to assist the AG. If this understanding of the HHS response is not correct, then this fiscal note may be updated to reflect the cost estimated by HHS to implement this bill.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 925	AM:	AGENCY/POLT. SUB: Nebraska Supreme Court (005)
REVIEWED BY: Joe Wilcox	DATE: 1/23/2020	PHONE: (402) 471-4178
COMMENTS: No basis to dispute the Nebraska Supreme Court estimate of Indeterminate Fiscal impact to the Agency from LB 925.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 925	AM:	AGENCY/POLT. SUB: Nebraska Attorney General (011)
REVIEWED BY: Joe Wilcox	DATE: 01/17/2020	PHONE: (402) 471-4178
COMMENTS: No basis to dispute the Nebraska Attorney General estimate of potential, but Indeterminate Fiscal Impact to the Agency from LB 925.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 925	AM:	AGENCY/POLT. SUB: Nebraska Department of Health and Human Services (025)
REVIEWED BY: Joe Wilcox	DATE: 1/22/2020	PHONE: (402) 471-4178
COMMENTS: No basis to dispute the Nebraska Department of Health and Human Services (DHHS) estimate of potential Fiscal Impact to the Agency from LB 925.		

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

2020

LB⁽¹⁾ 925

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ 05 Supreme Court

Prepared by: ⁽³⁾ Eric Asboe Date Prepared: ⁽⁴⁾ 1/22/20 Phone: ⁽⁵⁾ 1-4138

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2020-21</u>		<u>FY 2021-22</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:

Minimal fiscal impact to provide judicial education. Although judicial workload in Lancaster County district court could increase as a result of LB925, no estimate of the impact can be determined at this time.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2020-21</u>	<u>2021-22</u>
	<u>20-21</u>	<u>21-22</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.

2020

LB⁽¹⁾ 925 _____

FISCAL NOTE

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

Prepared by: ⁽³⁾ Dave Bydalek _____ Date Prepared: ⁽⁴⁾ 1-15-20 _____ Phone: ⁽⁵⁾ 402-471-2687 _____

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2020-21</u>		<u>FY 2021-22</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 925 would amend the Administrative Procedure Act to allow any Nebraska taxpayer, or any person on behalf of a person impacted by a rule or regulation, to file suit and challenge the validity of any rule or regulation. The legislation would increase the number of suits filed each year against the State and places no limit on repeat lawsuits by prisoners purportedly filing suit on behalf of others. Since such suits are currently barred, the Attorney General is unable to project the number of future suits resulting from LB 925.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2020-21 EXPENDITURES</u>	<u>2021-22 EXPENDITURES</u>
	<u>20-21</u>	<u>21-22</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) Mike Michalski

Date Prepared 1-15-2020

Phone: (5) 471-6719

	<u>FY 2020-2021</u>		<u>FY 2021-2022</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$39,057		\$39,057	
CASH FUNDS				
FEDERAL FUNDS	\$39,056		\$39,056	
OTHER FUNDS				
TOTAL FUNDS	\$78,113		\$78,113	

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

Explanation of Estimate:

LB 925 allows any Nebraska taxpayer to file a judgment, regardless of whether his or her rights are threatened by the rule or regulation and allows for any other person, or anyone on their behalf, to file a judgment if his or her rights or privileges are interfered with or who face a threat of interference or impairment. Currently, the NE Attorney General's Office represents the State in declaratory judgments. The Department of Health and Human Services would need to assist the AG's Office in the declaratory judgements.

This bill opens the cause of action up to any taxpayer. It does not appear that this new class of litigants or their concerns would be identified through the regulation promulgation process. Currently the agency staffing is sufficient to meet the current litigation demands, but would not be sufficient to handle anything other than a minimal increase. The agency is unable to identify the volume of new litigation. This bill increases the risk of litigation by opening the pool of litigants. Assuming this bill will increase the number of declaratory judgement actions, and DHHS will have to support litigating these new actions, then DHHS will need to hire one paralegal position to process, track, and provide information related to the actions. It is assumed that the new position would be hired on July 1, 2020.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:

POSITION TITLE	NUMBER OF POSITIONS		2020-2021	2021-2022
	20-21	21-22	EXPENDITURES	EXPENDITURES
Paralegal I	1	1	\$43,031	\$43,031
Benefits.....			\$15,878	\$15,878
Operating.....			\$19,204	\$19,204
Travel.....				
Capital Outlay.....				
Aid.....				
Capital Improvements.....				
TOTAL.....			\$78,113	\$78,113