

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2017-18		FY 2018-19	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	See Below		See Below	
CASH FUNDS	See Below		See Below	
FEDERAL FUNDS	See Below		See Below	
OTHER FUNDS	See Below		See Below	
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 127 changes provisions related to the Open Meetings Act.

Section 1 requires public bodies to publish notice of meetings in a newspaper of general circulation in each county within the public body’s jurisdiction. The public body may also provide notice by any other appropriate method designated by the public body.

In lieu of contacting all state agencies, boards, and commissions, a sampling of agencies received a request for impact. It is highly likely that all state agencies, boards, and commissions will be impacted by LB 127’s provisions. The degree to which any given public body will be impacted will vary based on the number and frequency of meetings conducted. Different agencies will have costs attributable to different fund types, depending on the funds utilized by appropriation.

The additional costs to be incurred are due to the publication “in a newspaper in each county” requirement.

The Nebraska State College System estimates an increased cost of **\$12,000** per year. This is based on six meetings per year at a publishing cost of \$2,000 per meeting. There is no basis to disagree with this estimate.

The Board of Parole/Parole Administration estimates a cost of **\$32,100** per year. There is no basis to disagree with this estimate.

The Nebraska Department of Education estimates a cost of **\$662,400** per year. This is based on four meetings per month, held in 92 counties at a cost of \$150 per notice. There is no basis to disagree with this estimate.

The Department of Correctional Services estimates a cost of **\$5,200** per year. This is based on an estimate of \$650 per notice. There is no basis to disagree with this estimate.

The Department of Administrative Services estimates a cost of **\$78,200** per year with a revenue increase of \$7,440 per year. There is no basis to disagree with this estimate.

Due to the broad reach of the bill’s provisions and the inability to survey all state agencies, boards, and commissions, an accurate cost of the bill’s provisions cannot be provided. State agencies, boards, and commissions will need to address new costs associated with the bill through the normal budget and/or deficit processes.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB:127	AM:	AGENCY/POLT. SUB: Department of Administrative Services	
REVIEWED BY: Lyn Heaton	DATE: 2/1/2017	PHONE: (402) 471-4181	
COMMENTS: There may be some question as to whether the various bodies included in the DAS fiscal note have statewide versus limited jurisdiction. Also, since the bill does not currently include an emergency clause it may be possible to prorate the FY 2017-18 amount.			

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

LB:127 AM: AGENCY/POLT. SUB: Department of Education

REVIEWED BY: Lyn Heaton DATE: 1/31/2017 PHONE: [\(402\) 471-4181](tel:4024714181)

COMMENTS: No basis to disagree with the Department of Education's estimate of four public meetings (State Board plus several other bodies subject to the Open Meetings Act) requiring notice each month. However, the Department's estimate of an average cost of \$150 per notice appears high given information obtained from other state agencies. In addition, the fund sources available to the Department for the costs related to the specific bodies conducting public meetings may allow cash and federal funds to be utilized in addition to General Funds.

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

LB:127 AM: AGENCY/POLT. SUB: Department of Health and Human Services

REVIEWED BY: Lyn Heaton DATE: 1/31/2017 PHONE: [\(402\) 471-4181](tel:4024714181)

COMMENTS: The fund sources available to the Department for the costs related to the specific bodies conducting public meetings may allow cash and federal funds to be utilized in addition to General Funds. Also, since the bill does not currently include an emergency clause it is reasonable to assume that the FY 2017-18 cost increase could be prorated to about 10 months so that it does not include a full annual amount. Finally, according to the Nebraska Press Association directory, there are about 90 counties within which a newspaper of general circulation originates.

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

LB:127 AM: AGENCY/POLT. SUB: Board of Parole

REVIEWED BY: Lyn Heaton DATE: 1/31/2017 PHONE: [\(402\) 471-4181](tel:4024714181)

COMMENTS: Given the explanation offered by the Parole Board, it appears the agency's estimate that the annual cost increase would be \$32,100 is overstated in that a tripling of the annual expenditures would result in an increase of \$21,400 on an annual basis rather than the \$32,100 amount identified by the agency. Also, since the bill does not currently include an emergency clause it is reasonable to assume that the FY 2017-18 cost increase could be prorated to about 10 months so that it does not include a full annual amount.

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

LB:127 AM: AGENCY/POLT. SUB: State College System

REVIEWED BY: Lyn Heaton DATE: 1/31/2017 PHONE: [\(402\) 471-4181](tel:4024714181)

COMMENTS: The State College System's estimate generally appears to be reasonable. However, since the bill does not currently include an emergency clause it is reasonable to assume that the FY 2017-18 cost increase could be prorated to about 10 months so that it does not include a full annual amount.

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

2017

LB⁽¹⁾ 127

FISCAL NOTE

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

Prepared by: ⁽³⁾ Carolyn Murphy Date Prepared: ⁽⁴⁾ 1/29/2017 Phone: ⁽⁵⁾ 402-471-2505

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2017-18</u>		<u>FY 2018-19</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	12,000		12,000	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	12,000		12,000	

Explanation of Estimate:

LB127 would require the NSCS to public notice for each Board meeting in a newspaper of general circulation in each county in the State. Based on a check of the cost in several newspapers, the NSCS estimates publication would cost approximately \$2,000 per meeting. Assuming 6 meetings per year, the total cost is estimated \$12,000 per year.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2017-18 EXPENDITURES</u>	<u>2018-19 EXPENDITURES</u>
	<u>17-18</u>	<u>18-19</u>		
Benefits.....				
Operating.....			12,000	12,000
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			12,000	12,000

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

2017

LB⁽¹⁾ 127

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Board of Parole/Parole Administration – Agency 15

Prepared by: ⁽³⁾ Rosalyn Cotton Date Prepared: ⁽⁴⁾ 1-26-17 Phone: ⁽⁵⁾ 402-479-5731

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2017-18</u>		<u>FY 2018-19</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$32,100		\$32,100	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u>\$32,100</u>		<u>\$32,100</u>	

Explanation of Estimate:

LB 127 proposes to require that under the Open Meetings Act, publication of notice must be made in a newspaper of general circulation in each county within the public body's jurisdiction.

The Parole and Pardons Boards conduct public meetings on a monthly basis, i.e. Parole Hearings, Business Meetings, and Pardons Board Hearings, approximating 225 open meetings per month. Pursuant to requests, publication is made in approximately 35-40 county newspapers per month. Our FY2016-17 budget allocates \$10,700 for publishing costs. The fiscal impact from the proposal in LB 127 would triple our expenditures (one for every of the 93 counties) for publishing costs to \$32,100.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2017-18</u>	<u>2018-19</u>
	<u>17-18</u>	<u>18-19</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....				
Operating.....			\$32,100	\$32,100
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			<u>\$32,100</u>	<u>\$32,100</u>

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

2017

LB⁽¹⁾ 127

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Neb. Dept. of Education

Prepared by: ⁽³⁾ Scott Summers

Date Prepared: ⁽⁴⁾ 1/12/17

Phone: ⁽⁵⁾ 402-471-7828

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2017-18</u>		<u>FY 2018-19</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$662,400	0	\$662,400	0
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$662,400		\$662,400	

Explanation of Estimate: *Bill requires advance notice of all public meetings in a newspaper of general circulation "in each county within the public body's jurisdiction." Since NDE is a state agency, that is likely all 92 counties. Using the conservative figure of \$150 per notice per public meeting (varies by newspaper), and four (4) public meetings per month (the State Board meetings being one of these), this totals \$662,400 (\$150 x 4 x 12 x 92).*

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2017-18</u>	<u>2018-19</u>
	<u>17-18</u>	<u>18-19</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
N/A				
Benefits.....				
Operating.....			\$662,400	\$662,400
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			\$662,400	\$662,400

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

2017

LB⁽¹⁾ 127

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Department of Correctional Services

Prepared by: ⁽³⁾ Sara Sump Date Prepared: ⁽⁴⁾ 1/11/17 Phone: ⁽⁵⁾ 402.479.5702

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2017-18</u>		<u>FY 2018-19</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$5,200		\$5,200	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u>\$5,200</u>		<u>\$5,200</u>	

Explanation of Estimate:

LB 127 amends the public notice provisions of the Open Meetings Act to require publication of notice in a newspaper of general circulation in each county within the public body's jurisdiction. NDCS holds approximately two open meetings each quarter (school board and the long term restrictive housing work group) and would be required to publish notice in each county in the state. The fiscal impact from the changes in LB 127 is estimated to be \$650 per public notice, or \$7,800 per year, based on actual expenditures for publishing parole hearing notices in 35-40 county newspapers each month during 2016.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2017-18 EXPENDITURES</u>	<u>2018-19 EXPENDITURES</u>
	<u>17-18</u>	<u>18-19</u>		
Benefits.....				
Operating.....			\$5,200	\$5,200
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				

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

2017

LB⁽¹⁾ 127

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Dept. of Administrative Services

Prepared by: ⁽³⁾ Bo Botelho

Date Prepared: ⁽⁴⁾ January 13, 2017

Phone: ⁽⁵⁾ 402-471-0972

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2017-18</u>		<u>FY 2018-19</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>63,320.00</u>	<u> </u>	<u>63,320.00</u>	<u> </u>
CASH FUNDS	<u>7,440.00</u>	<u> </u>	<u>7,440.00</u>	<u> </u>
FEDERAL FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
REVOLVING FUNDS	<u>7,440.00</u>	<u>7,440.00</u>	<u>7,440.00</u>	<u>7,440.00</u>
TOTAL FUNDS	<u>78,200.00</u>	<u>7,440.00</u>	<u>78,200.00</u>	<u>7,440.00</u>

Explanation of Estimate:

LB127 requires that all notices pursuant to the Open Meetings Act be published in a newspaper of general circulation in each county within the agency’s jurisdiction. The bill also allows for other types of notice as well, provided that the notice is also published in the newspaper accordingly. The methods of all such notices must also be recorded in the agency’s minutes.

Currently, any DAS Boards, Commissions or Committees, with the exception of the State Claims Board, are not publishing meeting notices in newspapers of general circulation. The State Claims Board publishes their meeting notice for 3 days in one newspaper of general circulation within Lancaster County.

Risk Management (“Risk”) holds 4 meetings each year pursuant to the Open Meetings Act for the State Claims Board (“SCB”). The SCB has statewide jurisdiction. In emergencies, Risk may hold additional meetings as necessary.

The Office of the Capitol Commission (“OCC”) holds 4 meetings each year pursuant to the Open Meetings Act. The OCC has jurisdiction in Lancaster County only.

The Vacant Buildings and Excess Land Committee (“VBEL”) generally holds 4 meetings each year pursuant to the Open Meetings Act. VBEL has statewide jurisdiction.

The State Personnel Board holds 4 meetings each year pursuant to the Open Meetings Act. The Personnel Board has statewide jurisdiction.

The Nebraska Information Technology Commission (“NITC”) holds approximately 30 meetings years pursuant to the Open Meetings Act. The NITC has statewide jurisdiction.

There are 93 counties in Nebraska. Maximum financial exposure would assume that each county has its own newspaper of general circulation. Each newspaper has its own rates of publication based on the number of words and size of the notice being published. Thus, we are using an approximate cost of a typical meeting notice of \$20.00, and calculating the possible fiscal exposure as shown below:

Board/Commission/ Committee	Fund Type	No. of Counties in Jurisdiction	Average Per Meeting Cost	No. of Meetin gs per Year	Assumed Annual Cost
State Claims Board	Revolving	93	\$20.00	4	\$7,440.00
OCC	General	1	\$20.00	4	\$80.00
VBEL	Cash	93	\$20.00	4	\$7,440.00
Personnel Board	General	93	\$20.00	4	\$7,440.00
NITC	General	93	\$20.00	30	\$55,800.00
TOTAL FOR DAS:					78,200.00

If only the Lincoln Journal Star and the Omaha World Herald would be considered newspapers of general circulation and only two newspapers would be required to be used, the figures would change as follows, using the same approximation of \$20.00 per published notice:

Board/Commission/ Committee	Fund Type	No. of Publications	Average Per Meeting Cost	No. of Meeting s per Year	Assumed Annual Cost
State Claims Board	Revolving	2	\$20.00	4	\$160.00
OCC	General	1	\$20.00	4	\$80.00
VBEL	Cash	2	\$20.00	4	\$160.00
Personnel Board	General	2	\$20.00	4	\$160.00
NITC	General	2	\$20.00	30	\$1,200.00
TOTAL FOR DAS:					1,760.00

Additional appropriation would be needed to meet this requirement as outlined in the expenditures by fund type above. The increase in revolving appropriation would require an increase in Risk Management billings enterprise-wide.

Other agencies would also have a fiscal impact if they hold meetings subject to the Open Meetings Act.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2017-18 <u>EXPENDITURES</u>	2018-19 <u>EXPENDITURES</u>
	<u>17-18</u>	<u>18-19</u>		
Benefits.....				
Operating.....			78,200.00	78,200.00
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			78,200.00	78,200.00

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

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

Prepared by: (3) Pat Weber

Date Prepared:(4) 1-9-17

Phone: (5) 471-6351

	<u>FY 2017-2018</u>		<u>FY 2018-2019</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$360,000		\$360,000	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$360,000		\$360,000	

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

Explanation of Estimate:

The potential fiscal impact of this bill is estimated to be \$360,000.

This estimate is based upon the following assumptions:

That this bill would require publication in 50 local newspapers in addition to the Journal Star and World Herald;

That the average cost of publication is \$20.00;

That DHHS has 30 meetings per month that would require newspaper publication.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:	POSITION TITLE	NUMBER OF POSITIONS		2017-2018 EXPENDITURES	2018-2019 EXPENDITURES
		17-18	18-19		
Benefits.....					
Operating.....				\$360,000	\$360,000
Travel.....					
Capital Outlay.....					
Aid.....					
Capital Improvements.....					
TOTAL.....				\$360,000	\$360,000

2017

LB⁽¹⁾ 127

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Department of Natural Resources

Prepared by: ⁽³⁾ Ron Theis Date Prepared: ⁽⁴⁾ Jan 30, 2017 Phone: ⁽⁵⁾ 402 471 0577

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2017-18		FY 2018-19	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	22,500		22,500	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u>22,500</u>		<u>22,500</u>	

Explanation of Estimate: The bill creates a requirement for statewide county newspaper publications of meeting notices, including agenda, for the Nebraska Natural Resources Commission (NRC) under the Public Meetings Act. The NRC is a budgetary component of the Department. Under current law, meetings are noticed on the NRC internet site only. The cost shown is based upon publication costs estimated by the Nebraska Press Association to duplicate the notices for the five NRC meetings held in 2016 in local newspapers as required by the bill on an ongoing basis. Costs for NRC operations are accounted in a sub-program in the general fund portion of the Department's budget. The estimated cost from the bill is not included in the current biennial Department budget proposal so will require an increase.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2017-18	2018-19
	17-18	18-19	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
			0	0
			0	0
Benefits.....			0	0
Operating.....			22,500	22,500
Travel.....			0	0
Capital outlay.....			0	0
Aid.....			0	0
Capital improvements.....			0	0
TOTAL.....			<u>22,500</u>	<u>22,500</u>