

Revised based on amendments adopted through 1/14/2020

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>				
	<b>FY 2020-21</b>		<b>FY 2021-22</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS	See below		See below	
CASH FUNDS	See below		See below	
FEDERAL FUNDS				
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.**

The Nebraska Department of Education, University of Nebraska and Nebraska Community Colleges identify no estimated fiscal impact associated with provisions LB206 as amended.

Section 1 (6) of LB206 as introduced provided “No postsecondary educational institution, its employees or agents, or its governing authority or the members of its governing authority shall be held responsible in any civil or criminal action for any publication or other expression of matter by a student journalist in the exercise of rights under subsection (2) of this section.” As amended by committee AM430 (amended by AM2093), LB206 now excludes this specific provision.

The Nebraska State College System (NSCS) indicates two of its college newspapers are student organizations outside the direct control of their respective colleges. The NSCS indicates its belief that provisions of LB206, as amended, would necessitate that the relevant student organizations secure liability insurance and estimates related annual costs at \$37,000. The related expense would be met by student activity fee trust funds (not appropriated by the Legislature and noted as “OTHER FUNDS” in the table above) and would necessitate an increase in student activity fees that accrue to the funds. While action to secure related liability insurance in the event LB206 were to become law may be prudent, provisions of the bill do not expressly require such action.

Although the two student newspaper organizations referenced above are not considered a part of the respective colleges, the NSCS indicates that if the NSCS were to be sued as the result of a student organization’s actions, the NSCS would need to meet a \$100,000 deductible under current liability insurance coverage for its defense in responding to a related lawsuit. A third state college newspaper is part of that college’s student programming. The NSCS indicates that liability for this newspaper would fall to current liability insurance coverage which, as noted previously, has a \$100,000 deductible. Expenses incurred in meeting the liability insurance deductible amount would need to be met either with NSCS General Fund appropriations or cash funds supported by institutional tuition and fee revenue.

The prospective incidence of lawsuits involving NSCS student newspapers is indeterminate. As such, a definitive estimate of costs and related timing of costs as such may relate to provisions of LB206 is similarly indeterminate.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>				
LB:	206	AM:	430 and 2093	AGENCY/POLT. SUB: Nebraska Community College Association
REVIEWED BY:	Gary Bush	DATE:	01/17/20	PHONE: (402) 471-4161
COMMENTS: No basis to disagree with the estimated provided.				

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

LB: 206 AM: 430 and 2093 AGENCY/POLT. SUB: Nebraska State College System

REVIEWED BY: Gary Bush DATE: 01/17/20 PHONE: (402) 471-4161

COMMENTS: No basis to disagree with the estimated provided by the Nebraska State College System.

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

**2020**

**LB<sup>(1)</sup> 206, AM430 & AM2093**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Department of Education

Prepared by: <sup>(3)</sup> Katie Bieber Date Prepared: <sup>(4)</sup> 1/17/2020 Phone: <sup>(5)</sup> 402-471-5025

**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	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Explanation of Estimate:

There is no known fiscal impact to the Nebraska Department of Education in LB206, including amendments 430 and 2093.

**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.....	_____	_____	_____	_____
<b>TOTAL.....</b>	_____	_____	<u>0</u>	<u>0</u>

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

**2020**

**LB<sup>(1)</sup> 206 AM 2093**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> University of Nebraska

Prepared by: <sup>(3)</sup> Michael Justus Date Prepared: <sup>(4)</sup> \_\_\_\_\_ Phone: <sup>(5)</sup> 402-472-7109

**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	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>

Explanation of Estimate:

Neither the original bill, nor the amendment, would have any fiscal impact on the University.

**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.....	_____	_____	_____	_____
<b>TOTAL.....</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>

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

2019

LB<sup>(1)</sup> 206 AM 430

FISCAL NOTE

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

Prepared by: (3) Michael Justus Date Prepared: (4) February Phone: (5) 402-472-7109

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2019-20		FY 2020-21	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Explanation of Estimate:

Our original fiscal note stated, "The bill deals with freedom of speech issues for student journalists and would have no fiscal impact on the University." The amendment eliminates certain protections, but does not change the fiscal impact.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS (NOT FTE)		2019-20 EXPENDITURES	2020-21 EXPENDITURES
	19-20	20-21		
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				

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

2020

LB<sup>(1)</sup> 206 AM430+2093

FISCAL NOTE

State Agency OR Political Subdivision Name: <sup>(2)</sup> Agency 83 Nebraska Community College Association

Prepared by: <sup>(3)</sup> Greg Adams Date Prepared: <sup>(4)</sup> 1/16/2020 Phone: <sup>(5)</sup> 4024714685

**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:

No Fiscal Impact

**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<sup>(1)</sup> 206 (as Amended by AM430 and AM2093)**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska State College System (NSCS)

Prepared by: <sup>(3)</sup> Carolyn Murphy Date Prepared: <sup>(4)</sup> 1/16/2020 Phone: <sup>(5)</sup> 402-471-2505

**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>
<b>GENERAL FUNDS</b>	Insurance Deductibles	_____	Insurance Deductibles	_____
<b>CASH FUNDS</b>	Insurance Deductibles	_____	Insurance Deductibles	_____
<b>FEDERAL FUNDS</b>	_____	_____	_____	_____
<b>OTHER FUNDS</b>	37,000.00+	_____	37,000.00+	_____
<b>TOTAL FUNDS</b>	<u>37,000.00+</u>	<u>_____</u>	<u>37,000.00+</u>	<u>_____</u>

**Explanation of Estimate:**

LB206, as amended by AM430, would provide certain protections to student journalists and student media advisers. The amendment removes language that provided the NSCS with statutory immunity from being sued. While the State Tort Claims Act may provide some protections for the NSCS, that does not eliminate the need for the NSCS to protect itself from any lawsuits that are filed.

The NSCS currently has two college newspapers that are student organizations, which are outside of the control of their respective Colleges. College insurance policies do not provide coverage for student organizations. With the removal of the liability limitation language, the NSCS believes that it would be necessary for student organizations to purchase liability insurance. The additional cost for the insurance would come from student activity fee (SAF) trust funds and would require an increase in SAF's for all students. The current estimated cost for such insurance coverage is \$37,000 annually.

Although student organizations are not considered a part of the colleges, if the NSCS is sued as the result of a student organization's actions, the NSCS would need to cover legal costs for its defense. Such an action would require the NSCS to meet a \$100,000 deductible. This cost would result in either a General Fund impact or an increase in tuition and/or fees to cover the impact to the NSCS.

The NSCS currently has one college newspaper that is a part of the College's student programming. Liability for this newspaper would fall to the College's insurance coverage, which has a \$100,000 deductible. As with the student organization example just above, the cost of a lawsuit to the NSCS regarding this college newspaper would be, at a minimum, meeting the \$100,000 deductible from either General Funds or an increase in tuition and/or fees to cover the impact to the NSCS.

**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.....	<hr/>	<hr/>
Capital outlay.....	<u>37,000.00+</u>	<u>37,000.00+</u>
Aid.....	<hr/>	<hr/>
Capital improvements.....	<hr/>	<hr/>
<b>TOTAL</b> .....	<u>37,000.00+</u>	<u>37,000.00+</u>