

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

| <b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b> |                     |                |                     |                |
|---|---------------------|----------------|---------------------|----------------|
|   | <b>FY 2019-20</b>   |                | <b>FY 2020-21</b>   |                |
|   | <b>EXPENDITURES</b> | <b>REVENUE</b> | <b>EXPENDITURES</b> | <b>REVENUE</b> |
| GENERAL FUNDS   | \$111,834           |                | \$111,834           |                |
| CASH FUNDS  |                     |                |                     |                |
| FEDERAL FUNDS   | \$111,835           |                | \$111,835           |                |
| OTHER FUNDS   |                     |                |                     |                |
| <b>TOTAL FUNDS</b>  | <b>\$223,669</b>    |                | <b>\$223,669</b>    |                |

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

LB 570 revises provisions relating to the strategic plan for providing services to persons with disabilities in community-based settings pursuant to the Olmstead decision by the Supreme Court. Current law requires the Department of Health and Human Services (HHS) to develop a strategic plan by December 15, 2018. The bill changes the required completion date to June 30, 2019. The bill has an emergency clause so it will go into effect in FY2018-19.

The bill requires HHS to convene a team with a representative from the Department of Correctional Services (DCS), the Department of Economic Development, the Department of Labor, the Department of Transportation, the State Department of Education (NDE) and the office of the state long-term care ombudsman. The team, with the assistance of an independent consultant and a previously authorized nineteen member stakeholder committee are to analyze and revise the strategic plan and determine whether benchmarks, deadlines, and timeframes are in compliance with the plan. The team is to report to the Legislature by December 15, 2021 and every three years thereafter, on the progress of the strategic plan and changes or revisions.

HHS Expenditures: The Nebraska Developmental Disabilities Planning Council earmarked \$127,000 of federal funds to assist HHS in hiring a consultant to help in the development of the strategic plan in the current fiscal year. A consultant was hired and most of Phase I of the strategic plan was completed by December of 2018. The consultant has not yet completed Phase II of the plan which includes engagement with all key stakeholders. HHS requested an estimate from the consultant as to the cost to complete the plan by June 30, 2019. The consultant estimated a cost of \$37,200 in the current fiscal year, FY2018-19, to deliver a final plan by the agreed upon date. Federal Medicaid funds can be used for 50% of the cost.

HHS will have additional expenditures in FY20, FY21 and through December of FY22 for a consultant to assist with continued analysis and revision of the strategic plan and to report on the progress of the plan to the Legislature by December 15, 2021. The estimated funding needed to retain the consultant over the two and one-half year period is \$87,140 in FY20, \$87,140 in FY21 and \$75,536 in FY22. Federal Medicaid funds can be used for 50% of the cost.

HHS indicates the need for an Administrator II to coordinate all of the initiatives and programs throughout the agency which are impacted by the strategic plan being developed by the agency. The individual will also work with other state agencies and entities outside of HHS who are involved with services provided to persons with disabilities. The estimated fiscal impact for an additional Administrator is \$136,529 (\$68,264 General, \$68,265 Federal) in FY20 and FY21.

Department of Correctional Services (DCS) Expenditures: DCS indicates the need for funds to hire a consultant to implement the bill. This fiscal note assumes the consultant will be hired by HHS. The department also projects the need for an ADA Coordinator to serve as the project manager for DCS. This fiscal note assumes that existing staff of the department can participate on the strategic plan team and any expenses can be handled with existing resources.

State Department of Education, Department of Transportation, Department of Economic Development, and Department of Labor: These agencies indicate existing staff and resources can handle any minimal expenses associated with participating on the strategic plan team.

|   |  |                       |
|---|--|-----------------------|
| ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE |  |                       |
| LB: 570 AM:   | AGENCY/POLT. SUB: Department of Health and Human Services (DHHS) |                       |
| REVIEWED BY: Elton Larson   | DATE: 2/25/2019  | PHONE: (402) 471-4173 |
| COMMENTS: DHHS estimate of fiscal impact to the agency appears reasonable.            |  |                       |

|   |   |                       |
|---|---|-----------------------|
| ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE   |   |                       |
| LB: 570 AM:   | AGENCY/POLT. SUB: Department of Corrections (DOC) |                       |
| REVIEWED BY: Elton Larson   | DATE: 2/25/2019                                   | PHONE: (402) 471-4173 |
| COMMENTS: Minimal fiscal impact to DOC for participation in the development of the strategic plan assuming DHHS is the home agency for the development of the plan. |   |                       |

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|--|---|-----------------------|
| ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE    |   |                       |
| LB: 570 AM:  | AGENCY/POLT. SUB: Department of Education (NDE) |                       |
| REVIEWED BY: Elton Larson  | DATE: 2/25/2019                                 | PHONE: (402) 471-4173 |
| COMMENTS: No basis to disagree with NDE estimate of minimal fiscal impact to the agency. |   |                       |

|   |   |                       |
|---|---|-----------------------|
| ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE |   |                       |
| LB: 570 AM:   | AGENCY/POLT. SUB: Department of Transportation (NDOT) |                       |
| REVIEWED BY: Elton Larson   | DATE: 2/25/2019                                       | PHONE: (402) 471-4173 |
| COMMENTS: No basis to disagree with NDOT estimate of no fiscal impact to the agency.  |   |                       |

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| ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE    |  |                       |
| LB: 570 AM:  | AGENCY/POLT. SUB: Department of Economic Development (DED) |                       |
| REVIEWED BY: Elton Larson  | DATE: 2/25/2019  | PHONE: (402) 471-4173 |
| COMMENTS: No basis to disagree with DED estimate of minimal fiscal impact to the agency. |  |                       |

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| ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE  |   |                       |
| LB: 570 AM:  | AGENCY/POLT. SUB: Department of Labor (NDL) |                       |
| REVIEWED BY: Elton Larson  | DATE: 2/25/2019                             | PHONE: (402) 471-4173 |
| COMMENTS: No basis to disagree with NDL estimate of minimal fiscal impact to the agency for participating in the development of the strategic plan.. |   |                       |

**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 1-24-19

Phone: (5) 471-6719

|                      | <u>FY 2019-2020</u> |                | <u>FY 2020-2021</u> |                |
|----------------------|---------------------|----------------|---------------------|----------------|
|                      | <u>EXPENDITURES</u> | <u>REVENUE</u> | <u>EXPENDITURES</u> | <u>REVENUE</u> |
| <b>GENERAL FUNDS</b> | \$111,834           |                | \$111,834           |                |
| <b>CASH FUNDS</b>    |                     |                |                     |                |
| <b>FEDERAL FUNDS</b> | \$111,835           |                | \$111,835           |                |
| <b>OTHER FUNDS</b>   |                     |                |                     |                |
| <b>TOTAL FUNDS</b>   | \$223,669           |                | \$223,669           |                |

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

Explanation of Estimate:

LB 570 would change requirements related to the strategic plan developed in response to the US Supreme Court ruling in Olmstead vs. L.C. Requirements would include collaboration with the Division of Developmental Disabilities and other state agencies in the development of the strategic plan, consultation with an independent consultant for ongoing analysis and revision of the strategic plan, and reporting to the legislature on the progress of the strategic plan by December 2021 and every three years thereafter. The bill also extends the deadline for submission of the strategic plan to the Governor and Legislature to June 30, 2019.

The Department of Health and Human Services (DHHS) has been working to develop the strategic plan to meet Olmstead requirements since the original statute was passed in 2016. DHHS is currently working with an independent consultant (Technical Assistance Collaborative, Inc.) under a contract that has been extended through March 31, 2019 and will exhaust allocated funding for this initiative. On December 15, 2018, DHHS submitted a report to the Legislature outlining progress to date and identified barriers to completion of a comprehensive strategic plan.

This bill is an expansion of LB 1033 (2016). To accommodate this expansion, the Department will need to add one FTE Administrator II. Costs for LB 1033 (2016) were funded from federal dollars from the Developmental Disabilities Planning Council. However, this funding would not be available for the requirements in LB 570. In the future, funding would be a Medicaid Administrative expense, and therefore qualify for 50 percent federal funding.

Since this bill would be effective upon the governor’s signature, DHHS would also incur costs during FY18-19 (\$18,600 GF) and then again during FY21-22 (\$37,768 GF) for the consultant for this bill. FTE costs would continue.

**MAJOR OBJECTS OF EXPENDITURE**

| PERSONAL SERVICES:        | POSITION TITLE | NUMBER OF POSITIONS |       | 2019-2020    | 2020-2021    |
|---------------------------|----------------|---------------------|-------|--------------|--------------|
|                           |                | 19-20               | 20-21 | EXPENDITURES | EXPENDITURES |
|                           |                | 1                   | 1     | \$77,790     | \$77,790     |
| Benefits.....             |                |                     |       | \$25,173     | \$25,173     |
| Operating.....            |                |                     |       | \$120,706    | \$120,706    |
| Travel.....               |                |                     |       |              |              |
| Capital Outlay.....       |                |                     |       |              |              |
| Aid.....                  |                |                     |       |              |              |
| Capital Improvements..... |                |                     |       |              |              |
| <b>TOTAL.....</b>         |                |                     |       | \$223,669    | \$223,669    |

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

**2019**

**LB<sup>(1)</sup> 570**

**FISCAL NOTE**

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

Prepared by: <sup>(3)</sup> Sara Sump Date Prepared: <sup>(4)</sup> \_\_\_\_\_ Phone: <sup>(5)</sup> 402.479.5702

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

|                    | <u>FY 2019-20</u>   |                | <u>FY 2020-21</u>   |                |
|--------------------|---------------------|----------------|---------------------|----------------|
|                    | <u>EXPENDITURES</u> | <u>REVENUE</u> | <u>EXPENDITURES</u> | <u>REVENUE</u> |
| GENERAL FUNDS      | \$346,054           |                | \$76,054            |                |
| CASH FUNDS         |                     |                |                     |                |
| FEDERAL FUNDS      |                     |                |                     |                |
| OTHER FUNDS        |                     |                |                     |                |
| <b>TOTAL FUNDS</b> | <u>\$346,054</u>    | <u>0</u>       | <u>\$76,054</u>     | <u>0</u>       |

**Explanation of Estimate:**

NDCS estimates requiring \$270,000 to hire a consultant in conjunction with the other agencies listed, to expand and complete a strategic plan as outlined in LB 570. Due to the size of NDCS, we anticipate a larger portion of the expense being billed. NDCS is also requesting an ADA Coordinator FTE to serve as the project manager for NDCS.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

| <u>POSITION TITLE</u>     | <u>NUMBER OF POSITIONS</u> |              | <u>2019-20</u>      | <u>2020-21</u>      |
|---------------------------|----------------------------|--------------|---------------------|---------------------|
|                           | <u>19-20</u>               | <u>20-21</u> | <u>EXPENDITURES</u> | <u>EXPENDITURES</u> |
| ADA Coordinator (AAlll)   | 1                          | 1            | \$53,138            | \$53,138            |
| Benefits.....             |                            |              | \$18,598            | \$18,598            |
| Operating.....            |                            |              | \$4,318             | \$4,318             |
| Travel.....               |                            |              |                     |                     |
| Capital outlay.....       |                            |              |                     |                     |
| Aid.....                  |                            |              |                     |                     |
| Capital improvements..... |                            |              |                     |                     |
| <b>TOTAL.....</b>         |                            |              | <u>\$76,054</u>     | <u>\$76,054</u>     |

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

**2019**

**LB<sup>(1)</sup> 570**

**FISCAL NOTE**

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

Prepared by: <sup>(3)</sup> Lindy Foley Date Prepared: <sup>(4)</sup> January 28, 2019 Phone: <sup>(5)</sup> 402-430-1689

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

|                    | <u>FY 2019-20</u>   |                | <u>FY 2020-21</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:**

LB 570 would require the NDE (specifically including VR and Assistive Technology Partnership-ATP) to participate in an advisory committee to assist in the review and development of a strategic plan to implement the Olmstead decision in Nebraska. The Olmstead decision requires provision of services to individuals with disabilities occur in the most integrated, community based settings including employment of individuals with disabilities. The representatives from NDE-VR and ATP are current staff and the Olmstead advisory committee meeting location requires no board/lodging and minimal personal mileage for the VR and ATP committee representatives. Therefore, minimal to no NDE fiscal impact is estimated.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

| <u>POSITION TITLE</u>     | <u>NUMBER OF POSITIONS</u> |              | <u>2019-20</u>      | <u>2020-21</u>      |
|---------------------------|----------------------------|--------------|---------------------|---------------------|
|                           | <u>19-20</u>               | <u>20-21</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> 570**

**FISCAL NOTE**

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

Prepared by: <sup>(3)</sup> Becky Fleming Date Prepared: <sup>(4)</sup> 2/11/19 Phone: <sup>(5)</sup> 402-479-4692

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

|                    | <u>FY 2019-20</u>   |                | <u>FY 2020-21</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:**

LB 570 changes provisions relating to an advisory committee and a strategic plan for services for persons with disabilities. The bill adds to the advisory committee several state agencies including the Dept. of Transportation (NDOT). A decisionmaker representative from NDOT will participate to assist in the review and development of the strategic plan for providing services to qualified persons with disabilities.

No fiscal impact is anticipated to the Department.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

| <u>POSITION TITLE</u>     | <u>NUMBER OF POSITIONS</u> |              | <u>2019-20</u>      | <u>2020-21</u>      |
|---------------------------|----------------------------|--------------|---------------------|---------------------|
|                           | <u>19-20</u>               | <u>20-21</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> 570**

**FISCAL NOTE**

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

Prepared by: <sup>(3)</sup> Dave Rippe Date Prepared: <sup>(4)</sup> 2/5/2019 Phone: <sup>(5)</sup> 471-3777

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

|                    | <u>FY 2019-20</u>   |                | <u>FY 2020-21</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:**

LB 570 amends Sections 81-6121 and 81-6122 of the Nebraska Revised Statutes Cumulative Supplement, 2018. The bill primarily changes membership of an advisory committee within DHHS, which assists DHHS with developing and reviewing a strategic plan for providing services to qualified persons with disabilities in most community-based settings pursuant to the *Olmstead v. L.C.*, 527 U.S. 581 Supreme Court Decision of 1999. According to the LB 570, in conjunction with representatives from each of the five DHHS divisions, DHHS must now include decision-making representatives from the Governor's Policy Research Office, the Department of Correctional Services, the Department of Economic Development, the Department of Labor, the Department of Transportation, the Department of Education, and the Office of the Long-term Care Ombudsman.

Furthermore, the bill adds provisions that an independent consultant will assist the advisory committee with the continued analysis and revision of the strategic plan. The bill updates the deadline for changes and revisions to the strategic plan to the Legislature to December 15, 2021 with additional changes and revisions due every three years afterwards. Also, the deadline for the completion of the strategic plan to the Legislature and Governor is changed to June 30, 2019. The act takes effect when passed and approved due to the emergency clause.

It is estimated that there will be minimal cost to the Department to implement LB 570 as drafted.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

| <u>POSITION TITLE</u>     | <u>NUMBER OF POSITIONS</u> |              | <u>2019-20</u>      | <u>2020-21</u>      |
|---------------------------|----------------------------|--------------|---------------------|---------------------|
|                           | <u>19-20</u>               | <u>20-21</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> 570**

**FISCAL NOTE**

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

Prepared by: <sup>(3)</sup> Katie Thurber Date Prepared: <sup>(4)</sup> 2/20/2019 Phone: <sup>(5)</sup> 402-471-9912

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

|               | <u>FY 2019-20</u>   |                | <u>FY 2020-21</u>   |                |
|---------------|---------------------|----------------|---------------------|----------------|
|               | <u>EXPENDITURES</u> | <u>REVENUE</u> | <u>EXPENDITURES</u> | <u>REVENUE</u> |
| GENERAL FUNDS | _____               | _____          | _____               | _____          |
| CASH FUNDS    | _____               | _____          | _____               | _____          |
| FEDERAL FUNDS | _____               | _____          | _____               | _____          |
| TRUST FUNDS   | _____               | _____          | _____               | _____          |
| TOTAL FUNDS   | =====               | =====          | =====               | =====          |

**Explanation of Estimate:**

LB 570 requires the Nebraska Department of Labor to assist in the development of a comprehensive strategic plan for providing services to qualified persons with disabilities in the most integrated community-based settings. NDOL anticipates increased time attending meetings. NDOL can absorb the cost of attending additional meetings.

The majority of the costs will be associated with implementing any NDOL requirements under the strategic plan. That cost is indeterminable at this time.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

| <u>POSITION TITLE</u>     | <u>NUMBER OF POSITIONS</u> |              | <u>2019-20</u>      | <u>2020-21</u>      |
|---------------------------|----------------------------|--------------|---------------------|---------------------|
|                           | <u>19-20</u>               | <u>20-21</u> | <u>EXPENDITURES</u> | <u>EXPENDITURES</u> |
| Benefits.....             | _____                      | _____        | _____               | _____               |
| Operating.....            | _____                      | _____        | _____               | _____               |
| Travel.....               | _____                      | _____        | _____               | _____               |
| Capital outlay.....       | _____                      | _____        | _____               | _____               |
| Aid.....                  | _____                      | _____        | _____               | _____               |
| Capital improvements..... | _____                      | _____        | _____               | _____               |
| TOTAL.....                | _____                      | _____        | _____               | _____               |