Bill Biven, Jr. March 14, 2023 402-471-0054

LB 221

Revision: 00 FISCAL NOTE LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)								
	FY 202	23-24	FY 20	24-25				
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE				
GENERAL FUNDS								
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.

LB221 amends §16-1021 to redefine what salary is relating to all firefighters of a city of the first-class.

Impact would be at the city of the first-class level, no fiscal impact to the state.

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

LB: 221	AM:	AGENCY/PO	GENCY/POLT. SUB: Nebraska Department of Revenue (016)					
REVIEWED BY: Joe Wilcox			DATE: 03/10/2023	PHONE: (402) 471-4178				
COMMENTS: No basis to disagree with the Nebraska Department of Revenue estimate of No Fiscal Impact to the Agency and No General Fund Revenue Impact from LB 221.								

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

LB: 221	AM:	AGENCY/POLT. SUB: City of Norfolk				
REVIEWED BY: Joe Wilcox		DATE: 01/17/2023	PHONE: (402) 471-4178			
COMMENTS: No basis to disagree with the City of Norfolk estimate of potential Fiscal Impact to the City from LB 221.						

State Agency Estimate							
State Agency Name: Department of Revenue Date Due LFO:							
Approved by:		Date Prepared:	03/10/2023		Phone: 471-5896		
	FY 202	23-2024	FY 202	4-2025	FY 202	5-2026	
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue	
General Funds		\$ 0		\$ 0		\$ 0	
Cash Funds							
Federal Funds							
Other Funds							
Total Funds		\$ 0		\$ 0		\$ 0	

LB 221 changes the definition of "Salary" in Neb. Rev. Stat. § 16-1021(10) to include all amounts paid to a participating firefighter by the employing city for personal services. Previously, the salary definition was limited to the base rate of pay, excluding overtime, callback pay, clothing allowances, and other such benefits.

It is estimated that this bill will have no impact on General Fund revenues.

It is estimated that there will be no cost to the Department of Revenue to implement this bill.

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The operative date for this bill is three months after adjournment.

Major Objects of Expenditure								
Class Code	Classification Title	23-24 <u>FTE</u>	24-25 <u>FTE</u>	25-26 <u>FTE</u>	23-24 <u>Expenditures</u>	24-25 <u>Expenditures</u>	25-26 <u>Expenditures</u>	
Benefits								
Operating Costs								
	Travel							
Capital Outlay								
Capital Improveme	Capital Improvements							

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

LB ⁽¹⁾ 221				FISCAL NOTE			
State Agency OR Political	Subdivision Name: ⁽²⁾	Nebraska Public Employees Retirement Systems (NPERS)-085					
Prepared by: ⁽³⁾ Teres	sa Zulauf	Date Prepared: ⁽⁴⁾	1/23/2023 Ph	one: ⁽⁵⁾ 402-471-7745			
	ESTIMATE PROVID	ED BY STATE AGEN	NCY OR POLITICAL SU	BDIVISION			
	<u>FY 20</u> EXPENDITURES	<u>023-24</u> <u>REVENUE</u>	<u>F</u> <u>EXPENDITURES</u>	<u>Y 2024-25</u> S <u>REVENUE</u>			
GENERAL FUNDS							
CASH FUNDS	0		0				
FEDERAL FUNDS							
OTHER FUNDS							
TOTAL FUNDS	0		0				

Explanation of Estimate:

LB 221 will redefine the term of salary under the retirement plan for firefighters of a city of the first class.

NPERS does not currently administer the plan.

No fiscal impact to NPERS Agency 085 operations expenditures.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:				
	NUMBER OI	F POSITIONS	2023-24	2024-25
POSITION TITLE	<u>23-24</u>	<u>24-25</u>	EXPENDITURES	EXPENDITURES
Benefits				
Operating				
Travel				
Capital outlay				
Aid				
Capital improvements				
TOTAL				

Please complete <u>ALL</u> (5) blanks in the first three lines.

LB ⁽¹⁾ 221				FISCAL NOTE			
State Agency OR Political	Subdivision Name: ⁽²⁾	City of Norfolk					
Prepared by: ⁽³⁾ Ranc	ly Gates	Date Prepared: ⁽⁴⁾	January 13, 2023 Phone	: (5) (402)844-2011			
	ESTIMATE PROVI	DED BY STATE AGEN	NCY OR POLITICAL SUBD	IVISION			
	FY	2023-24	FV 9	024-25			
	EXPENDITURES	<u>REVENUE</u>	EXPENDITURES	<u>REVENUE</u>			
GENERAL FUNDS	\$37,076		\$38,515				
CASH FUNDS							
FEDERAL FUNDS							
OTHER FUNDS							
TOTAL FUNDS	\$37,076		\$38,515				

Explanation of Estimate:

LB 221 changes covered payroll for 1st class city fire retirement plans from base pay only to total pay. The City's budgeted fire payroll normally approximates actual.

For FYE 2023 the City budgeted additional covered pay under LB 221 (overtime, holiday pay, etc.) at \$274,547. The City's 13% fire retirement plan contribution on this additional covered pay would be \$35,691. The City's average growth rate in covered payroll for the last 10 FYs is 3.88%. Inflating the estimated FYE 2023 additional City fire retirement plan contribution of \$35,691 at 3.88% for the next 2 FYs results in an estimated increase in the City's fire retirement plan contributions of \$37,076 for FYE 2024 and \$38,515 for FYE 2025.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE							
Personal Services:							
POSITION TITLE	NUMBER OF POSITIONS <u>23-24</u> <u>24-25</u>		2023-24 <u>EXPENDITURES</u>	2024-25 <u>EXPENDITURES</u>			
Benefits			\$37,076	\$38,515			
Operating							
Travel							
Capital outlay							
Aid							
Capital improvements							
TOTAL			\$37,076	\$38,515			

2023