

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2015-16</b>		<b>FY 2016-17</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$145,599		\$145,538	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$145,599</b>		<b>\$145,538</b>	

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

LB 493 creates the Healthy and Safe Families and Workplace Act.

The bill requires employers of four or more employees to provide their employees paid sick and safe time.

Paid sick and safe time is to accrue at a minimum of one hour for every 30 hours worked and an employee may not accrue more than 40 hours in a calendar year. An employer is not prohibited from offering a more generous policy.

Paid sick and safe time is defined as time that is compensated at the same hourly rate and with the same benefits, as the employee normally earns during hours worked and is provided by the employer to an employee for the purposes described in Section 4 of the bill.

Section 4 of the bill provides that paid sick and safe time may be used by the employee for mental or physical illness, injury, or health condition; the need for medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or the need for preventative medical care. This time may also be used for the care of a family member with the same needs described above.

It can also be used by the employee for an absence due to domestic assault, sexual assault, or stalking if the leave is necessary for the employee to obtain for themselves or a family member: medical attention to recover from physical or psychological injury or disability caused by domestic assault, sexual assault, or stalking; services from a victim services organization; psychological or other counseling; relocation due to domestic assault, sexual assault, or stalking; or to obtain legal services including preparing for or participating in any civil or criminal legal proceeding relating to or a result of domestic assault, sexual assault, or stalking.

In addition, the bill provides a number of definitions; allows an employer to advance leave time; requires documentation for more than three days absence; ability to use the leave after 60 calendar days of employment; requires the employee to make a good faith effort to give advance notice of absence; prohibits an employer from interfering with employee rights under the Act or taking any retaliatory personnel action; and requires the employer to provide notice of their sick and safe time policy to their employees.

LB 493 also gives the Commissioner of Labor investigative and enforcement powers. The Commissioner may assess an administrative penalty of \$500 for the first violation of the Act by an employer and not more than \$5,000 for a second and subsequent violations.

Any person aggrieved by a violation of the Act may also bring a civil action against the employer and may recover full amount of any unpaid sick and safe time and attorney's fees and costs.

LB 493 contains the severability clause.

The Department of Labor estimates the cost of implementing LB 493 at \$145,599 for FY2015-16 and \$145,538 for FY2016-17. This includes 2.0 FTE Labor Law Specialists with PSL of \$77,003 for FY2015-16 and \$78,736 for FY2016-17.

We have no basis to disagree with the Department of Labor's estimate of fiscal impact.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES		
LB: 493	AM:	AGENCY/POLT. SUB: Department of Administrative Services
REVIEWED BY: Robin Kilgore	DATE: 1-26-15	PHONE: 471-4180
COMMENTS: Concur with agency's estimate of no fiscal impact.		

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES		
LB: 493	AM:	AGENCY/POLT. SUB: Department of Labor
REVIEWED BY: Robin Kilgore	DATE: 1-29-15	PHONE: 471-4180
COMMENTS: No basis to disagree with agency's estimate of fiscal impact.		

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

**2015**

**LB<sup>(1)</sup> 493**

**FISCAL  
NOTE**

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

Prepared by: <sup>(3)</sup> Shereece Dendy Date Prepared: <sup>(4)</sup> January 22, 2015 Phone: <sup>(5)</sup> 402-471-1441

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

	<u>FY 2015-16</u>		<u>FY 2016-17</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:**

LB493 requires employers to supply employees with sick and safe time. Sick and safe time is to accrue minimally at 1 hour for every 30 hours worked; no more than 40 hours of sick and safe time may carryover at the end of each calendar year. This time is specially designed to allow employees to have paid time off to address family issues relating to mental/physical illness and domestic/sexual assault.

LB493 has no fiscal impact on Administrative Services, as the bill explicitly excludes the "State" as a qualified employer.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2015-16</u>	<u>2016-17</u>
	<u>15-16</u>	<u>16-17</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
<b>TOTAL.....</b>	_____	_____	_____	_____

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

**2015**

**LB<sup>(1)</sup> 493**

**FISCAL NOTE**

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

Prepared by: <sup>(3)</sup> Kim Schreiner Date Prepared: <sup>(4)</sup> 1/26/2015 Phone: <sup>(5)</sup> 402-471-2492

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

	<u>FY 2015-16</u>		<u>FY 2016-17</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>145,599.00</u>	<u>                    </u>	<u>145,538.00</u>	<u>                    </u>
CASH FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
FEDERAL FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
OTHER FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
TOTAL FUNDS	<u>145,599.00</u>	<u>                    </u>	<u>145,538.00</u>	<u>                    </u>

**Explanation of Estimate:** It will take a minimum of 2 labor law specialists to operate and maintain this program. The bill applies to all 70,000 Nebraska employers. The department expects it will take a significant amount of communication with all employers to ensure compliance with the new law. We estimate that under section 7 of the bill, there will be 1 to 5 appeals per year. Each hearing will cost approximately \$1,000 to hire an independent hearing officer.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2015-16</u>	<u>2016-17</u>
	<u>15-16</u>	<u>16-17</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Labor Law Specialist	<u>2</u>	<u>2</u>	<u>77,003.00</u>	<u>78,736.00</u>
Benefits.....			<u>28,244.00</u>	<u>28,879.00</u>
Operating.....			<u>30,352.00</u>	<u>30,923.00</u>
Travel.....			<u>5,000.00</u>	<u>5,000.00</u>
Capital outlay.....			<u>5,000.00</u>	<u>2,000.00</u>
Aid.....			<u>                    </u>	<u>                    </u>
Capital improvements.....			<u>                    </u>	<u>                    </u>
TOTAL.....			<u>145,599.00</u>	<u>145,538.00</u>