

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>				
	<b>FY 2015-16</b>		<b>FY 2016-17</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS				
CASH FUNDS	79,474		79,474	
FEDERAL FUNDS		47,684		47,684
OTHER FUNDS				
TOTAL FUNDS	79,474	47,684	79,474	47,684

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

This bill increases certain limits under the Crime Victims Reparations Act (CVR). Funeral expenses are currently limited to \$5,000, and the bill increases the amount to \$10,000. Medical expenses are currently limited to \$10,000, and the bill increases the amount to \$20,000. The Crime Commission estimates these increased limits will result in increased payouts of \$79,474: \$45,000 for funeral costs and \$34,474 for medical costs.

Additionally, the Crime Commission notes that Nebraska's CVR program is awarded a federal grant each year that is calculated as 60% of the amount expended from state funds for claims, and this amount is estimated to be \$47,684.

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**2015**

**LB<sup>(1)</sup> 354 (revised)**

**FISCAL NOTE**

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

NE Comm on Law Enforcement and Criminal Justice

Prepared by: <sup>(3)</sup> Bruce Ayers

Date Prepared: <sup>(4)</sup> 2-27-2015

Phone: <sup>(5)</sup> 471-0359

**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	79,474		79,474	
FEDERAL FUNDS		47,684		47,684
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>79,474</b>	<b>47,684</b>	<b>79,474</b>	<b>47,684</b>

Explanation of Estimate: Section 4 of LB 354 increases the maximum award for a single claim paid under the Crime Victim's Reparations (CVR) Act from \$10,000 to \$25,000 and specifies that the breakdown is \$10,000 for funeral expenses, \$20,000 for medical expenses, and \$5,000 for other related costs.

The current limits for claims paid under the Crime Victim's Reparations Act are \$5,000 for funeral expenses (as defined in rules and regulations) and \$10,000 for medical expenses.

For calendar year 2014, the CVR program paid \$45,000 for 9 funerals. Assuming the maximum for each funeral was \$10,000 and each claim requested the maximum amount, the cost of those 9 funerals would be \$90,000. Also during calendar year 2014, the CVR program received 5 claims that requested more than the \$10,000 maximum for medical expenses. If the maximum for medical expenses was \$20,000 during calendar year 2014, the increased cost for medical claims would total \$34,474. The total increased costs for funeral and medical expenses is therefore \$79,474 (45,000 funeral and 34,474 medical).

Nebraska's CVR program is awarded a federal grant each year that is calculated as 60% of the amount expended from state funds for claims. For example, if the state disbursed \$300,000 in state funds for CVR claims in FY 14-15, a federal award of \$180,000 would be received the following year.

Therefore, the net effect of expending \$79,474 additional state funds would actually be \$31,790 because federal funds of \$47,484 (79,474 x .60) would be received the following year.

For the purposes of easily illustrating the additional expenditures and revenue, I showed the revenue being received in the same fiscal year as the expenditures. Actually, the revenue would trail the expenditures by approximately 6 to 9 months, because our CVR program has to certify to the federal government the amount of state funds expended. Then the federal award is calculated and awarded to us.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2015-16 EXPENDITURES</u>	<u>2016-17 EXPENDITURES</u>
	<u>15-16</u>	<u>16-17</u>		
Benefits.....				
Operating.....			79,474	79,474
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				

**TOTAL**.....

79,474

79,474