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DATE PREPARED: March 21, 2012
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LB 858

Revision: 01

FISCAL NOTE

Updated to reflect all adopted amendments.

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2012-13		FY 2013-14	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 858 imposes additional requirements upon agencies seeking to enter into contracts for services that are in excess of fifteen million dollars (\$15,000,000).

State agencies seeking to enter into such contracts must submit a proof-of-need analysis along with the proposed contract to the Materiel Division.

Materiel must certify the receipt of the proof-of-need analysis, complete the certification process and report back to the agency within thirty days.

Materiel estimates that it will be able to address the bill's provisions with their current budgetary and staffing resources.

No fiscal impact.

2012 Legislative Bill Proposal Fiscal Note

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LEGISLATIVE FISCAL

Bill #: LB858 AM2117

State Agency: Administrative Services - Materiel

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Date Prepared: 3/19/2012

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Estimate of Fiscal Impact – State Agencies

	FY 2012-13		FY 2013-14	
	Expenditures	Revenue	Expenditures	Revenue
General Funds	0	0	0	0
Cash Funds	0	0	0	0
Federal Funds	0	0	0	0
Other Funds	0	0	0	0
Total Funds	0	0	0	0

Explanation of Estimate:

The committee amended version of LB858 imposes additional responsibilities upon agencies seeking to enter into contracts in excess of fifteen million dollars (\$15,000,000). One of the additional responsibilities includes agencies seeking to enter into these contracts are to complete and provide a Proof of Need analysis along with a copy of the proposed contract to the Materiel Division.

Administrative Services – Materiel Division (Materiel) is required to certify the receipt of a Proof of Need analysis, which is to include all components identified in the proposed legislation. Materiel is to complete the certification process and report the determination to the agency within thirty days of receipt of the Proof of Need analysis. Only upon certification of the analysis may the state agency enter into the proposed contract. The amendment does not prohibit agencies from conducting the Request for Proposal (RFP) process themselves if they so chose.

For the purpose of this Fiscal Note, Materiel is making the assumption there will not be a significant increase in agencies requesting Materiel to conduct the RFP process. Materiel estimates through the reallocation of an existing position it will be possible to provide the services identified by the committee amended version of this bill without requiring additional staff.

Major Objects of Expenditure

Personal Services:

Position Title:	Number of Positions			2012-13	2013-14
				Expenditures	Expenditures
Benefits					
Operating					
Capital Outlay					
Aid					
Capital Improvements					
TOTAL					