

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2019-20		FY 2020-21	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	see below		see below	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

LB 616 establishes a build-finance project where the Department of Transportation (DOT) may make payments to the entity who completes the project for up to ten (10) years after the date of completion. Additionally, the DOT is provided with the authority to structure contracts that will be completed (or are currently underway) under the Build Nebraska Act, Accelerated State Highway Capital Improvement Program, and R.R.S. 39-2808 through 39-2424 as build-finance projects. The bill details the process and requirements related to build-finance projects and incorporates the new provisions into the Transportation Innovation Act.

The DOT is also provided with the authority to obligate not more than ten (10) percent of the annual Highway Trust Fund revenue to secure payment on all build finance projects at the time a contract for a build-finance project is under consideration. It is unknown whether the ten (10) percent is applied to the entirety of the Highway Trust Fund revenue or the Department's share (53.3%) as provided for by R.R.S. 39-2215(6).

At this point, the fiscal impact is indeterminate as it is not known how many projects (current or future) would utilize the abilities provided for within the bill. They agency has indicated the fiscal impact will depend on the circumstances under which the new provisions are applied, there is no basis to disagree.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 616	AM:	AGENCY/POLT. SUB: Department of Transportation	
REVIEWED BY: Lee Will	DATE: 2/7/2019	PHONE: (402) 471-4175	
COMMENTS: Concur with the Department of Transportation's assessment of fiscal impact.			

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

2019

LB⁽¹⁾ 616

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Department of Transportation

Prepared by: ⁽³⁾ Becky Fleming Date Prepared: ⁽⁴⁾ 2/4/19 Phone: ⁽⁵⁾ 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	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

As introduced LB 616 provides for build-finance projects under the Build Nebraska Act and Transportation Innovation Act. Build-finance projects are defined as where the design-builder, construction manager or a contractor working on the project pays for the project labor, materials and vendors as the work is performed and payments due from the Dept. of Transportation (NDOT) are made by, or on behalf of, the department over a period not to exceed ten years after the date of substantial completion.

The fiscal impact on the Department will depend on the circumstances under which it is applied.

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.....	_____	_____	_____	_____