

PREPARED BY: Scott Danigole  
 DATE PREPARED: January 31, 2022  
 PHONE: 471-0055

# LB 1037

Revision: 00

## FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2022-23</b>		<b>FY 2023-24</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$400,000			
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$400,000</b>			

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

LB 1037 requires the Department of Administrative Services (DAS) to contract for the completion of an evaluation of the state's procurement practices. This shall occur within 60 days of the effective date of LB 1037 and shall not be subject to any competitive bidding requirements.

An electronic report shall be filed with the Legislature and Governor on or before November 15, 2022.

DAS estimates the cost of entering into such a contract will be between \$200,000 and \$400,000. This is based on prior contracts for similar evaluations.

There is no basis to disagree with the DAS estimate.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 1037	AM:	AGENCY/POLT. SUB: <b>Dept. of Administrative Services – Materiel Division</b>	
REVIEWED BY: Kimberly Burns	DATE: 01/31/2022	PHONE: (402) 471-4171	
COMMENTS: The Department of Administrative Services' assessment of fiscal impact for LB 1037 seems reasonable given the assumptions used.			

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**2022**

**LB<sup>(1)</sup> 1037**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Department of Administrative Services (DAS) – Materiel Division - Purchasing

Prepared by: <sup>(3)</sup> Amara Block Date Prepared: <sup>(4)</sup> 1/18/2022 Phone: <sup>(5)</sup> 402-471-4114

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

	<u>FY 2022-23</u>		<u>FY 2023-24</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$400,000			
CASH FUNDS				
FEDERAL FUNDS				
REVOLVING FUNDS				
TOTAL FUNDS	<u>\$400,000</u>			

**Explanation of Estimate:**

LB 1037 requires the Department of Administrative Services (DAS) to contract with an outside consultant with expertise in government procurement within sixty (60) days of the effective date of the bill for an evaluation of the state’s procurement practices. The evaluation calls for input from committee chairpersons, the Department of Health and Human Services and other using agencies deemed appropriate by DAS. Additionally, DAS must submit a report to the Legislature by November 15th, regarding recommendations for improvements to the state’s procurement policies and practices.

DAS estimates the cost of this type of contract ranges from \$200,000 - \$400,000 based upon other contracts for similar types of evaluations.

DAS requests a General Fund appropriation.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2022-23</u>	<u>2023-24</u>
	<u>22-23</u>	<u>23-24</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....				
Operating.....			\$400,000	
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			\$400,000	