

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2021-22		FY 2022-23	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

As currently written, LB242, establishes the County Bridge Incentive Program (CBIP). This program will be administered by the Department of Transportation (DOT) and will utilize the funding stream that is currently utilized by the County Bridge Match Program, or CBMP (LB960 – 2016). The CBMP is funded by the Transportation Infrastructure Bank Cash Fund (TIBCF) which receives its revenue equal to \$0.02 per gallon fuel tax. The CBMP has a statutory cap of \$40 million over the lifetime of the program which terminates on June 30, 2023.

The funding stream for the new CBIP would be limited in two ways: 1) No more than \$10 million can be expended in the program, and 2) The difference between what has been actually expended in the CBMP and the \$40 million cap on June 30, 2023 would be for available for use in the program.

The DOT is responsible for developing the program, including participation criteria, and matching fund requirements in consultation with a statewide association representing county officials. Because of these initial responsibilities, the DOT may see an increase in work. However, long-term the operational costs would presumably mirror those already in place for the current CBMP. The DOT indicates the increase in work can be accommodated within their existing appropriation.

Other provisions of the bill have no fiscal impact as they are permissive.

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

2021

LB⁽¹⁾ 242

FISCAL NOTE

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

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ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2021-22</u>		<u>FY 2022-23</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:

LB 242 allows a political subdivision to use a design-build contract or construction management at risk contract to repair, retrofit, reconstruct, or replace any bridges. The bill allows for political subdivisions to adopt a resolution which provides for project payment for these projects on a set schedule over a period of time that extends beyond the completion of construction.

The bill also creates the County Bridge Incentive Program, which would be effective September 2021, and provides that the department shall administer the program with funds "designated for the County Bridge Match Program", which does not expire until June 30, 2023. Following the termination of the County Bridge Match Program on June 30, 2023, the bill provides that designated County Bridge Match Program funds remaining are to be designated for the County Bridge Incentive Program and that no more than \$10 million shall be expended for the County Bridge Incentive Program.

NDOT is to develop the program, including participation criteria and matching requirements for counties, in consultation with a statewide association of county officials. Participation shall be limited to those counties that have passed a resolution as noted in the first paragraph above or that utilize design-build contracts as authorized for bridge projects.

While the bill indicates that funds designated for the County Bridge Match Program are to be designated for the new program, this fiscal note assumes that funds already awarded for projects under the County Bridge Match Program will continue to be available for those projects until expended or no longer needed.

NDOT will be able to administer the new program within existing resources. (NDOT recognizes that the introducer has filed an amendment to remove section 3 of the bill regarding the County Bridge Match Program but has prepared this fiscal note based on the introduced version of the bill.)

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22</u>	<u>2022-23</u>
	<u>21-22</u>	<u>22-23</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

