

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2021-22</b>		<b>FY 2022-23</b>	
	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.**

Current statute provides that incorporated cities and villages have the same authority and duty as the Nebraska Department of Transportation (NDOT) to alter the speed limits on a highway within their corporate limits (excluding state maintained freeways that are part of the state highway system) if the change is based on engineering and traffic investigation. Additionally, if one of the applicable entities is under 40,000 inhabitants, the department must approve the change.

LB164 expands this authority and duty to include when hazardous conditions exist as determined by the city council or village board. Further, the requirement that the NDOT approve the change in the speed limit if the entity has under 40,000 inhabitants, is changed to be only applicable to those entities that have under 500 inhabitants.

The NDOT has indicated there is a potential issue of non-compliance with the Manual on Uniform Traffic Control Devices (MUTCD), which the agency has adopted pursuant to 60-6,118. The Federal Highway Administration (FHWA) has indicated “Non-compliance with the MUTCD ultimately can result in the loss of federal-aid funds as well as in a significant increase in tort liability.” Contact with the FWHA was attempted by the NDOT and LFO to determine what federal-aid funding would be at risk, however a response was not provided. In the event additional information becomes known, the fiscal note will be revised.

Lastly, the NDOT indicates an undeterminable likely cost increase for administering speed zone authorizations on the state highway system.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 164	AM:	AGENCY/POLT. SUB: Nebraska Department of Transportation	
REVIEWED BY: Lucas Martin	DATE: 01/27/2021	PHONE: (402) 471-4181	
COMMENTS: No basis to disagree with the Department of Transportation’s assessment of potential fiscal impact.			

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

**2021**

**LB<sup>(1)</sup> 164**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Department of Transportation

Prepared by: <sup>(3)</sup> Jenessa Boynton Date Prepared: <sup>(4)</sup> 1/26/2021 Phone: <sup>(5)</sup> 402-479-4691

**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	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>

**Explanation of Estimate:**

LB 164 will allow cities and villages over 500 inhabitants to alter the maximum speed limits on all highways within their corporate limits, without an engineering approval from NDOT. The speed limit change may be based on an engineering and traffic investigation or if hazardous conditions are determined by the city council or village board.

State Statute 60-6,118 adopts the Manual on Uniform Traffic Control Devices (MUTCD) for use by NDOT and all public roadways in Nebraska. MUTCD states, "Speed zones (other than statutory speed limits) shall only be established on the basis of an engineering study that has been performed in accordance with traffic engineering practices." If this bill passes it may result in non-compliance with federal requirements.

An increase in cost for administering speed zone authorizations on the state highway system is likely but is undeterminable at this point.

**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**.....

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