

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2022-23		FY 2023-24	
	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.

LB1274 contains Legislative findings and declarations related to the Nebraska Expressway System. The bill would also require the Department of Transportation (DOT) to plan, design, and purchase the rights-of-way for the: 1) North-south meridian four-lane divided highway system located along U.S Highway 81; and 2) Nebraska Highway 20 between U.S. Highway 81 and the Iowa border.

The DOT indicates the estimated costs associated with the aforementioned requirements total \$100,000,000. Of this total, it is estimated during the first 3 years (FY23 through FY25) \$16,667,000 would be expended each fiscal year for engineering, planning, and design. Right-of-way acquisition would begin after preliminary planning and design and is estimated to cost a total of \$50,000,000. The bill does not address a funding mechanism so it is being assumed existing agency resources would be utilized resulting in the bill having no fiscal impact. If additional resources should be needed in FY23 or FY24 for right-of-way acquisition, the issue can be handled through the budget request process.

Additionally, the bill expresses Legislative intent to appropriate funds for:

- The planning, design and purchase of rights-of-way for: 1) U.S. Highway 81 between Norfolk and the South Dakota border into a four-lane divided highway; 2) U.S. Highway 81 between Columbus and York into a four-lane divided highway; and 3) Nebraska Highway 20 between U.S. Highway 81 and the Iowa border into a four-lane divided highway.
- Signage and the development of a gateway entrance at the U.S Highway 81 and Nebraska Highway 12 to alert travelers to the locations of Niobrara State Park and Lewis and Clark Lake.

As only intent to appropriate funds is expressed, these provisions have no fiscal impact.

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2022

LB⁽¹⁾ 1274

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 2022-23</u>		<u>FY 2023-24</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS				
CASH FUNDS	<u>16,667,000</u>	<u>16,667,000</u>	<u>16,667,000</u>	<u>16,667,000</u>
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u>16,667,000</u>	<u>16,667,000</u>	<u>16,667,000</u>	<u>16,667,000</u>

Explanation of Estimate:

LB1274 states the Dept. of Transportation (NDOT) shall plan, design, and purchase rights-of-way for the North-south meridian four-lane divided highway system located along U.S. Highway 81 and the Nebraska Highway 20 between U.S. Highway 81 and the Iowa border. It is the intent of the Legislature to appropriate funds for the planning, design, and purchase of rights-of-way for (i) U.S. Highway 81 between Norfolk and the South Dakota Border, (ii) U.S. Highway 81 between Columbus and York, and (iii) Nebraska Highway 20 between U.S. Highway 81 and the Iowa Border. It is also the intent of the Legislature to appropriate funds for signage and the development of a gateway entrance at U.S. Highway 81 and Nebraska Highway 12 to alert travelers to the locations of Niobrara State Park and Lewis and Clark Lake.

The Highway 20 and Highway 81 Norfolk to South Dakota border corridors are not currently part of NDOT's planning efforts. Based on the number of miles included in the three stated corridors, NDOT estimates it would cost a total of approximately \$1.07 billion to construct the three corridors. Based on an analysis of preliminary engineering and right-of-way costs as a percent of the total for recent projects from three other expressway corridors, the fiscal impact of LB1274 to NDOT, if enacted, is estimated at \$100 million for planning, design and right-of-way costs. It is assumed that a significant amount of preliminary engineering, including planning and design, would need to take place over the next three years with an estimated cost of \$50 million, evenly distributed at \$16,667,000 each year. Acquisition of rights-of-way for the three corridors is estimated to cost \$50 million and would begin following the preliminary planning and design. This fiscal note assumes a Highway Cash Fund appropriation increase to fund the increased expenditures.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2022-23 EXPENDITURES</u>	<u>2023-24 EXPENDITURES</u>
	<u>22-23</u>	<u>23-24</u>		
Benefits.....				
Operating.....			<u>16,667,000</u>	<u>16,667,000</u>
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			<u>16,667,000</u>	<u>16,667,000</u>