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LB 408

Revision: 00

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2007-08		FY 2008-09	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 408 changes provisions related to public service contracts.

Section 6 requires state agencies to conduct a cost-benefit analysis between using state employees to perform services and contracting for those services, if the proposed contract is in excess of fifty thousand dollars (\$50,000). This provision applies if the services proposed are being performed or have been performed by a state employee within the preceding twelve months or if the services are required for new programs that were not in existence within the previous 12 months.

Section 7 directs the materiel division of the Department of Administrative Services (DAS) to develop guidelines for state agencies to use in conducting a cost-benefit analysis.

Section 8 requires DAS to adopt and promulgate rules and regulations to carry out the bill's provisions.

DAS reports that the activities required under LB 408 are essentially being conducted now. The only new requirement is the filing of an analysis with the fiscal office and rule and regulation promulgation. According to DAS, any costs can be absorbed with current resources.

A sampling of state agency responses indicates that agencies are unlikely to realize any significant additional costs due to the bill's provisions.

No fiscal impact.

DEPARTMENT OF ADMINISTRATIVE SERVICES

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COMMENTS					
GAME AND PARKS COMMISSION – No basis to disagree with agency analysis.					
STATE PATROL – No basis to dispute agency analysis.					
UNIVERSITY OF NEBRASKA – Concur with agency analysis.					
DEPT. OF ADMIN. SERVICES – Concur with agency analysis.					