

7/10/12

PREPARED BY: Phil Hovis  
DATE PREPARED: February 10, 2012  
PHONE: 975

**LB 975**

Revision: 00

# FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2012-13		FY 2013-14	
	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.

LB975 would adopt the Fair Bidding Act. State agency and political subdivision fiscal note responses were received from the Department of Health and Human Services, Department of Roads, Game and Parks Commission, Department of Correctional Services, Nebraska State Colleges, University of Nebraska, Department of Administrative Services, City of Lincoln, City of Omaha and Sarpy County. Such responses reflect that no fiscal impact is anticipated if LB975 were to be enacted.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Gary Bush	DATE	1/25/12	PHONE	471-2526
COMMENTS					
ADMINISTRATIVE SERVICES – MATERIEL, 309 TASK FORCE, STATE BUILDING DIVISION: No basis to disagree with estimate. DEPARTMENT OF CORRECTIONAL SERVICES: No basis to disagree with estimate. NEBRASKA GAME AND PARKS COMMISSION: No basis to disagree. DEPARTMENT OF HEALTH AND HUMAN SERVICES: No basis to disagree with agency estimate. CITY OF LINCOLN: No basis to disagree. CITY OF OMAHA: No basis to disagree with estimate. NEBRASKA DEPARTMENT OF ROADS: No basis to disagree. SARPY COUNTY: No basis to disagree. NEBRASKA STATE COLLEGE SYSTEM: No basis to disagree. UNIVERSITY OF NEBRASKA: No basis to disagree with estimate.					

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LEGISLATIVE FISCAL

# 2012 Legislative Bill Proposal Fiscal Note

Bill #: LB975

State Agency: Administrative Services – Materiel, 309 Task Force, State Building Division

Prepared by: Brenda Pape Date Prepared: 01/20/2012 Phone: 402-471-0970

Steve Hotovy 402-471-3515

Dennis Summers 402-471-8351

## Estimate of Fiscal Impact – State Agencies

	FY 2012-13		FY 2013-14	
	Expenditures	Revenue	Expenditures	Revenue
General Funds				
Cash Funds				
Federal Funds				
Other Funds				
Total Funds	0	0	0	0

### Explanation of Estimate:

As proposed the purposes of LB975 – the Fair Bidding Act are to promote the economical, nondiscriminatory and efficient administration and completion of state and state-funded or state assisted construction projects; to provide fair and open competition for construction contracts, grants, tax abatements and tax credits awarded by governmental units; and to prohibit requirements for certain terms in construction contracts – a term that requires, prohibits, encourages, or discourages bidders, public contractors, or subcontractors from entering into or adhering to collective bargaining agreements relating to construction under the public contract; or a term that discriminates against bidders, public contractors or subcontractors based on the status as a party or nonparty to, or the willingness or refusal to enter into, a collective-bargaining agreement relating to construction under the public contract.

- (1) This bill applies to construction contracts. Administrative Services (AS) Materiel – State Purchasing does not have authority or responsibility for bidding construction contracts.

The bill, as written, would have no fiscal impact on the AS Materiel Division.

- (2) Both the AS 309 Task Force and AS State Building Division are involved in construction as defined in the bill as written. Neither program currently includes language in their bid specifications or contracts regarding a bidder, public contractor, or subcontractor's collective bargaining agreements.

The bill as written would require no procedural changes and would have no fiscal impact on AS 309 Task Force or AS State Building Division.

## Major Objects of Expenditure

### Personal Services:

Position Title:	Number of Positions			2012-13	2013-14
	12-13	13-14		Expenditures	Expenditures
Benefits					
Operating					
Travel					
Capital Outlay					
Aid					
Capital Improvements					
<b>TOTAL</b>					

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**LB<sup>(1)</sup> 975 FISCAL NOTE**

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

Prepared by: <sup>(3)</sup> Christina Peters Date Prepared: <sup>(4)</sup> 1/23/2012 Phone: <sup>(5)</sup> 402-479-5702

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

	<u>FY 2012-2013</u>		<u>FY 2013-2014</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	none			
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

No Fiscal Impact

**MAJOR OBJECTS OF EXPENDITURE**

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2012-2013</u>	<u>2013-2014</u>
	<u>12-13</u>	<u>13-14</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				

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LB<sup>(1)</sup> 975 FISCAL NOTE

State Agency OR Political Subdivision Name: (2) Nebraska Game and Parks Commission

Prepared by: (3) Patrick H. Cole Date Prepared: (4) January 23, 2012 Phone: (5) (402) 471-5523

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2012-2013		FY 2013-2014	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Return by date specified or 72 hours prior to public hearing, whichever is earlier.  
Explanation of Estimate:

The proposed legislation would ensure that any public contract, procurement of services under a public contract, or request for proposals or bid specifications for a public contract, the procurement procedure for the public contract, or any other controlling document would discriminate on, require or prohibit collective-bargaining agreements of contractors or subcontractors. The legislation would be known as the Fair Bidding Act.

It is thought that the agency is currently in compliance with the provisions and thus does not anticipate a fiscal impact.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2012-2013	2013-2014
	12-13	13-14	EXPENDITURES	EXPENDITURES
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

Prepared by: (3) Willard Bouwens

Date Prepared:(4) 1-30-12

Phone: (5) 471-8072

	FY 2012-2013		FY 2013-2014	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

This LB has no fiscal impact on the Department of Health and Human Services.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:

POSITION TITLE	NUMBER OF POSITIONS		2012-2013 EXPENDITURES	2013-2014 EXPENDITURES
	12-13	13-14		
Benefits.....				
Operating.....				
Travel.....				
Capital Outlay.....				
Aid.....				
Capital Improvements.....				
<b>TOTAL.....</b>				

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LB(1) 975 FISCAL NOTE

State Agency OR Political Subdivision Name: (2)

City of Lincoln, NE

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Prepared by: (3) Sherry Wolf Drbal

Date Prepared: (4) 1/20/12

Phone: (5) 402-441-8305

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2012-2013		FY 2013-2014	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Return by date specified or 72 hours prior to public hearing, whichever is earlier.  
Explanation of Estimate:

No significant impact anticipated.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2012-2013 EXPENDITURES	2013-2014 EXPENDITURES
	12-13	13-14		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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LB<sup>(1)</sup> 975 FISCAL NOTE

State Agency OR Political Subdivision Name: <sup>(2)</sup> City of Omaha

Prepared by: <sup>(3)</sup> Sheri Larsen Date Prepared: <sup>(4)</sup> 01-24-2012 Phone: <sup>(5)</sup> 402-444-5477

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2012-2013		FY 2013-2014	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

LB 975 does not have a fiscal impact on the City of Omaha at this time.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2012-2013	2013-2014
	12-13	13-14	EXPENDITURES	EXPENDITURES
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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LB<sup>(1)</sup> 975 FISCAL NOTE

State Agency OR Political Subdivision Name: (2) NEBRASKA DEPARTMENT OF ROADS

Prepared by: (3) Marilyn Hayes Date Prepared: (4) 1-20-2012 Phone: (5) 402-479-4692

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2012-2013		FY 2013-2014	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

LB 975 requires Nebraska to adopt the Fair Bidding Act to provide for fair and open competition including construction contracts.

Current FHWA guidelines require fair bidding in federal aid projects. The Department of Roads incorporates these guidelines for all construction projects.

No fiscal impact to Department of Roads is anticipated.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2012-2013 EXPENDITURES	2013-2014 EXPENDITURES
	12-13	13-14		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____



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LB<sup>(1)</sup> 975 FISCAL NOTE

State Agency OR Political Subdivision Name: (2) Sarpy County

Prepared by: (3) Fred Uhe Date Prepared: (4) Jan. 25, 2012 Phone: (5) (402) 593-2106

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2012-2013		FY 2013-2014	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

There doesn't appear to be any fiscal impact as a result of this legislation. We don't currently put any of the prohibited language in our bid specs or contracts.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2012-2013	2013-2014
	12-13	13-14	EXPENDITURES	EXPENDITURES
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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LB<sup>(1)</sup> 975 FISCAL NOTE

State Agency OR Political Subdivision Name: (2) Nebraska State College System (NSCS)

Prepared by: (3) Carolyn Murphy Date Prepared: (4) 1/26/2012 Phone: (5) 402-471-2505

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2012-2013		FY 2013-2014	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>No Impact</u>	<u>_____</u>	<u>No Impact</u>	<u>_____</u>

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

LB 975 would prohibit consideration of collective bargaining in public bids, procurements or contracts. This is not currently a consideration by the NSCS and therefore, there is no fiscal impact from this bill.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2012-2013 EXPENDITURES	2013-2014 EXPENDITURES
	12-13	13-14		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	<u>No Impact</u>	_____

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**LB<sup>(1)</sup> 975 FISCAL NOTE**

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

Prepared by: <sup>(3)</sup> Michael Justus Date Prepared: <sup>(4)</sup> January 24, 2012 Phone: <sup>(5)</sup> 402 472 2191

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

	<u>FY 2012-2013</u>		<u>FY 2013-2014</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Return by date specified or 72 hours prior to public hearing, whichever is earlier.  
Explanation of Estimate:

There is not a fiscal impact from LB 975 on the University.

**MAJOR OBJECTS OF EXPENDITURE**

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2012-2013</u>	<u>2013-2014</u>
	<u>12-13</u>	<u>13-14</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____