

PREPARED BY: Samuel Malson
 DATE PREPARED: January 25, 2022
 PHONE: 402-471-0051

LB 999

Revision: 00

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	\$500,000	\$500,000		
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$500,000	\$500,000		

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

L999 would require the Department of Transportation (DOT) to apply for a grant through the federal Rebuilding American Infrastructure with Sustainability and Equity (RAISE) program that is authorized in the federal Infrastructure Investment and Jobs Act, as well as under any similar federal infrastructure funding mechanisms.

Further, if the DOT is found to be eligible for such a federal grant in a sufficient amount, they would be required to use the funds to construct a new bridge crossing over a navigable river in a city of metropolitan class.

The DOT indicates a contract for consultant services would be utilized for the preparation of the grant application and necessary studies at a cost of \$500,000 (in FY23) that would be funded through an increase in the Highway Cash Fund appropriation to the Roads Operations Cash Fund. Additionally, the DOT discusses a potential redirection of state resources away from other programmed projects in the event there are state matching requirements for any grant received. This possible future redirection could be averted provided the Highway Cash Fund appropriation to the Roads Operations Cash Fund is adjusted accordingly by the Legislature. Other items discussed in the DOT fiscal note have no direct fiscal impact.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 999	AM:	AGENCY/POLT. SUB: Department of Transportation
REVIEWED BY: Patrick Redmond	DATE: 1/26/2022	PHONE: (402) 471-4181
COMMENTS: The Department of Transportation assessment of fiscal impact from LB 999 appears reasonable.		
Technical Note: For the Department of Transportation, federal funds are recorded as cash funds.		

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2022

LB⁽¹⁾ 999

FISCAL NOTE

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

Prepared by: ⁽³⁾ Jenessa Boynton Date Prepared: ⁽⁴⁾ 1/21/2022 Phone: ⁽⁵⁾ 402-479-4691

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	500,000	500,000		
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	500,000	500,000		

Explanation of Estimate:

LB999 requires NDOT to apply to the United States Dept. of Transportation (USDOT) on or before January 1, 2023, for a grant under the federal Rebuilding American Infrastructure with Sustainability and Equity (RAISE) program and under the Reconnecting Communities Pilot Program under the federal Infrastructure Investment and Jobs Act, and any other similar federal infrastructure funding mechanisms. If NDOT obtains federal funds in a sufficient amount the funds shall be used to construct a new bridge crossing over a navigable river within a city of the metropolitan class.

NDOT does not currently have such a project in the planning process and as a result very little of the necessary information for a competitive grant application is currently available. Preparation of competitive/discretionary grant applications require key information that encompasses safety, environmental sustainability, quality of life, economic competitiveness, state of good repair, innovation, and partnerships with a broad range of stakeholders. To address all of these criteria, NDOT will be required to have further studies conducted which will include preliminary design and NEPA.

If LB 999 is enacted, additional expenses are anticipated to prepare the grant applications. At this time, it is uncertain of the timing of the Notice of Funding Opportunity (NOFO) from the USDOT relative to the January 1, 2023 deadline in the bill, which may further limit the time available for preparation to earlier than January 1. The estimated cost for a consultant services contract for preparation of the grant application and related studies within the time available would be \$500,000. The \$500,000 expense would be funded through an increase in the Highway Cash Fund appropriation.

Further, no state matching funds are currently included in the Department's short and intermediate term construction program planning. If NDOT was awarded federal competitive/discretionary grant funding such as is contemplated by the bill, it would likely be necessary for NDOT to redirect state match funding from projects already programmed, absent an increase in the Highway Cash Fund appropriation.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2022-23</u>	<u>2023-24</u>
	<u>22-23</u>	<u>23-24</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....				
Operating.....			500,000	
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			500,000	