Eric Kasik December 13, 2023 402-471-0053

LB 461

Revision: 01 FISCAL NOTE LEGISLATIVE FISCAL ANALYST ESTIMATE

Updated for the 2024 Legislative Session

| ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates) | | | | | | | | |
|--|--------------|---------|--------------|---------|--|--|--|--|
| | FY 2024-25 | | FY 2025-26 | | | | | |
| | 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.

LB 461 is the State Procurement Act.

Section 3 provides definitions for the Act.

Section 8 provides for additional factors that the Materiel Department may take into consideration when awarding contracts that are required to be based on competitive bids. Section 10, allows for a state agency to consider whether a bid's price is reasonable or realistic, as defined in that section.

The Department of Administrative Services states that the provisions of LB 461 consolidate and harmonize sections of statute regarding the procurement of goods and services. In so doing it is likely that DAS and other agencies will realize cost savings for contracted goods and services. The amount of potential savings cannot be accurately determined and any potential savings will vary from one agency to another.

 ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

 LB: 461
 AM:
 AGENCY/POLT. SUB: Dept. of Administrative Services – Materiel Division (SPB)

 REVIEWED BY:
 Kimberly Burns
 DATE: 12/13/2023
 PHONE: (402) 471-4171

 COMMENTS:
 No basis to dispute the Department of Administrative Services' assessment of indeterminate impact from LB 461.

Please complete <u>ALL</u> (5) blanks in the first three lines.

| LB ⁽¹⁾ 461 | | | | FISCAL NOTE | | |
|--------------------------------|-------------------------------------|---|-----------------------------|--------------------------------|--|--|
| State Agency OR Politic | al Subdivision Name: ⁽²⁾ | Department of Administrative Services – Materiel Division, State Purchasing Bureau (DAS-SPB) | | | | |
| Prepared by: ⁽³⁾ Am | ara Block | Date Prepared: ⁽⁴⁾ | 12-07-2023 Phone | e: ⁽⁵⁾ 402-432-0121 | | |
| | ESTIMATE PROVI | DED BY STATE AGEN | NCY OR POLITICAL SUBD | IVISION | | |
| | DV | | DV a | | | |
| | <u>FYS</u> EXPENDITURES | <u>2024-25</u> <u>REVENUE</u> | <u>FY 2</u> EXPENDITURES | 2025-26 <u>REVENUE</u> | | |
| GENERAL FUNDS | | | | | | |
| CASH FUNDS | | | | | | |
| FEDERAL FUNDS | | | | | | |
| OTHER FUNDS | | | | | | |
| TOTAL FUNDS | | | | | | |
| | | | | | | |

Explanation of Estimate:

LB 461 consolidates the statutes regarding the procurement of goods and services into Chapter 73. In doing so, the procurement statutes are harmonized, creating consistency between the procurement types. Additionally, LB 461 also addresses evaluating bids for certain factors such as realistic and reasonable prices, residential preference, contract terms and conditions regarding indemnity, jurisdiction, and venue, the proof of need process, and grant agreements.

DAS-SPB anticipates that LB 461 will result in a cost savings to DAS and other agencies, although the exact cost savings is not quantifiable. Any changes that would need to be made to DAS materials regarding procurement could be accomplished with existing resources.

| BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE | | | | | | | | | |
|---|---------------------|-------|---------------------|---------------------|--|--|--|--|--|
| Personal Services: | | | | | | | | | |
| | NUMBER OF POSITIONS | | 2024-25 | 2025-26 | | | | | |
| POSITION TITLE | <u>24-25</u> | 25-26 | EXPENDITURES | EXPENDITURES | | | | | |
| | | | | | | | | | |
| | | | | . <u> </u> | | | | | |
| | | | | | | | | | |
| Benefits | | | | | | | | | |
| Operating | | | | | | | | | |
| Travel | | | | | | | | | |
| Capital outlay | | | | | | | | | |
| Aid | | | | | | | | | |
| Capital improvements | | | | | | | | | |
| TOTAL | | | | | | | | | |