

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)

	FY 2025-26		FY 2026-27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$335,869		\$553,932	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS	\$83,000		\$36,000	
TOTAL FUNDS	\$418,869		\$589,932	

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

LB 403 creates the Office of Grants in the executive branch of state government. This office is to be managed by a director who serves at the pleasure of the Governor. It gives the authority to the director to hire necessary employees to carry out the requirements outlined in this legislation.

The office shall assist state agencies, political subdivisions and private organizations located in Nebraska in identifying, applying for and complying with grant programs identified. It requires a report submitted on July 1 of each year beginning in 2026. This report shall contain:

- A statewide plan for maximizing the amount of grant funding received by state agencies, political subdivisions and private organizations.
- An analysis of state legislation passed and whether it supports, hinders or otherwise affects the ability to receive funding from national grant programs.
- The number of state agencies, political subdivisions and private organizations served by the office.
- The number of grants and dollars received during the calendar year as a result of the services provided by the office.

This bill will have a fiscal impact. The Director may hire additional individuals to assist in completing the requirements of this office. The following estimate is based on 5 FTE's: 1 Director, 2 Environmental Specialists, and 2 Economic Development Business Consultants. These positions have been identified in similar legislation regarding grants management. It is estimated this office will not be fully staffed until January of FY20025-26.

Position	FTEs	Annual Salary	Benefits	FY 25-26	FY26-27
Director	1	\$ 110,000	\$ 38,500	\$ 74,250	\$ 152,213
Economic Dev. Bus. Consultant 2	2	\$ 136,950	\$ 47,933	\$ 92,441	\$ 189,505
Environmental Specialist 3	1	\$ 60,528	\$ 21,185	\$ 40,856	\$ 83,756
Environmental Specialist 2	1	\$ 53,810	\$ 18,834	\$ 36,322	\$ 74,460
Total:				\$ 243,869	\$ 499,932

The Department of Administrative services estimates a need for Revolving Fund appropriation of \$83,000 in FY2025-26 and \$36,000 in FY2026-27. There is no basis to disagree with this estimate.

	FY 25-26	FY26-27
Salary and Benfits	\$ 243,869	\$ 499,932
DAS Costs/Rent:	\$ 83,000	\$ 36,000
Other operating expences	\$ 9,000	\$ 18,000
Total	\$ 335,869	\$ 553,932

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2025

LB⁽¹⁾ 403

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Department of Administrative Services (DAS) – Office of the Chief Information Officer (OCIO) & State Building Division (SBD)

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ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2025-26</u>		<u>FY 2026-27</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$83,000		\$36,000	
CASH FUNDS				
FEDERAL FUNDS				
REVOLVING FUNDS	\$83,000	\$83,000	\$36,000	\$36,000
TOTAL FUNDS	\$166,000	\$83,000	\$72,000	\$36,000

Explanation of Estimate:

LB 403 creates the Office of Grants in the executive branch of state government. The office shall consist of the Director of Grants, and such other employees as are appointed by the Director.

LB 403, as introduced, would require the Department of Administrative Services (DAS) Office of the Chief Information Officer (OCIO) to experience a one-time increase in expenditures on a per public servant basis of \$3,500. These costs would be for computer hardware and initial connectivity to the state's network and systems. For this fiscal note a team of five public servants was used. ($\$3,500 \times 5$ public servants = \$17,500)

Additionally, for every year thereafter a per public servant cost of \$2,100. could be charged to the agency for licenses, network, and systems connectivity. Finally, depending on where the offices of this agency are located, there may be additional costs associated with setting up infrastructure to meet the agency's business needs. Some of these potential costs may be either a one-time cost or reoccurring. ($\$2,100 \times 5$ public servants = \$10,500.)

DAS-OCIO would request an increase in revolving fund appropriate that is sufficient to cover the additional operational costs because of LB 403.

Any additional office space would require DAS State Building Division (SBD) to manage such requests and would require additional revolving fund spending authority to provide space to accommodate any potential changes and/or expansions. The current rent estimate per public servant is between \$4,800 to \$5,400 – for an average of \$5,100 per public servant ($\$4,800 + \$5,400 / 2 = \$5,100$). There would also be a one-time cost for furniture, fixtures, and equipment (FFE) of about \$8,000 per public servant.

Should the newly established Office require five public servants, DAS averaged the high and low estimates to determine the approximate annual revolving fund appropriation request for DAS-SBD to be \$65,500 the first year to include one-time costs ($\$5,100 + \$8,000 \times 5 = \$65,500$) and \$25,500 in the following years ($\$5,100 \times 5 = \$25,500$).

The Office of Grants would be billed for the services provided by DAS-SBD and DAS-OCIO. The Fiscal Note assumes that the estimated costs identified above that would be billed, would be paid using General Funds.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....				
Operating.....			\$166,000	\$72,000
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			\$166,000	\$72,000