

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2013-14		FY 2014-15	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	See Below		See Below	
CASH FUNDS	See Below		See Below	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See Below		See Below	

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

LB 224 allows a preference in awarding a public contract if the lowest responsible bidder is a resident disabled veteran.

The Department of Roads and Administrative Services note that the bill may result in increasing the cost on state contracts as written, but that impact cannot be quantified. The Department of Roads points out that there is no specificity to the “preference” given to resident disabled veterans. Depending on the nature of the preference provided, the costs could be significant.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 224	AM:	AGENCY/POLT. SUB: Dept. of Roads	
REVIEWED BY: Gary Bush		DATE: January 31, 2013	PHONE: 471-4161
COMMENTS: Agree with agency’s analysis of impact given the bill as it was introduced.			

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 224	AM:	AGENCY/POLT. SUB: Dept. of Administrative Services	
REVIEWED BY: Gary Bush		DATE: January 28, 2013	PHONE: 471-4161
COMMENTS: No basis to disagree with agency estimate of impact.			

Please complete ALL (5) blanks in the first three lines.

2013

LB⁽¹⁾ 224 FISCAL NOTE

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

Prepared by: ⁽³⁾ Becky Fleming Date Prepared: ⁽⁴⁾ _____ Phone: ⁽⁵⁾ 402-479-4692

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2013-14</u>		<u>FY 2014-15</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>

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

Explanation of Estimate:

LB 224 provides that when a public contract is to be awarded to the lowest bidder a resident disabled veteran shall be allowed a preference over any other resident or nonresident bidder. The bill defines the resident disable veteran as – resides in the State of Nebraska, who has served in the United States Armed Forces including any reserve component or the National Guard, who has a discharge of honorable or general, and possesses a disability rating letter issued by the US Dept of Veterans Affairs.

It is difficult to know if this bill has any fiscal impact to the Dept of Roads because there is no definition of preference. There could be a potential to severely limit competition and increase cost. For example, if the disabled veteran was given a 10% preference, meaning that their bid could be as much as 10% over the low bid, this will add cost to the overall construction budget.

NDOR annually awards contracts at approximately \$400 million. If a resident disabled veteran is preferred, it could be a significant increase in contract dollars awarded.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2013-14</u>	<u>2014-15</u>
	<u>13-14</u>	<u>14-15</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>

2013 Legislative Bill Proposal Fiscal Note

Bill #: 224

State Agency: Administrative Services – Materiel Division

Prepared by: Brenda Pape

Date Prepared: 1/17/2013

Phone: 402-471-0970

Estimate of Fiscal Impact – State Agencies

	FY 2013-14		FY 2014-15	
	Expenditures	Revenue	Expenditures	Revenue
General Funds				
Cash Funds				
Federal Funds				
Other Funds				
Total Funds				

Explanation of Estimate: The proposed statute adds conditions for providing priority preference given to resident disabled veterans in the awarding of state contracts. Priority is given to disabled veterans who reside in Nebraska and provide proof of their disability.

This bill will have the potential for increasing the cost on state contracts, but as written, the fiscal impact is unknown.

Major Objects of Expenditure

Personal Services:

Position Title:	Number of Positions			FY 2013-14	FY 2014-15
	13-14	14-15		Expenditures	Expenditures
Benefits					
Operating					
Travel					
Capital Outlay					
Aid					
Capital Improvements					
TOTAL					