

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2017-18</b>		<b>FY 2018-19</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS			See below	
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 271 would allow the Department of Roads to enter into agreements with the United States Secretary of Transportation to assume federal responsibilities under the National Environmental Policy Act (NEPA) and other federal environmental laws with respect to highway projects. If such agreements are executed the State of Nebraska would assume civil liability for actions related to the responsibilities assumed by the department.

The assumption of these duties would streamline the construction process by eliminating federal project-by-project environmental review and approval. The acceleration of projects may reduce the impact of inflation on construction costs and in fact the department estimates annual savings to be \$12-19 million per year. These savings will be reinvested into additional construction and maintenance projects.

The assumption of these duties will also have an impact on the workload of the department. They have estimated that 5 FTE will be required at a cost of \$547,560 starting in FY18-19. This includes one attorney specializing in NEPA law, and four biologists. The four biologist positions will be filled by redirecting the work of existing positions. No increase in the department's appropriation or salary limit will be required.

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**2017**

**LB<sup>(1)</sup> 271**

**FISCAL NOTE**

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

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

	<u>FY 2017-18</u>		<u>FY 2018-19</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	=====	=====	<u>See below</u>	=====

**Explanation of Estimate:**

LB 271 allows Nebraska to assume full responsibility for National Environmental Policy Act (NEPA) reviews. Under 23 U.S.C. Section 326, the Federal Highway Administration (FHWA) can delegate authority to the Nebraska Department of Roads (NDOR) to complete required Federal environmental reviews in-house. One of the conditions of such delegation is that the State of Nebraska waives its sovereign immunity.

Upon executing a Memorandum of Understanding with FHWA as authorized by this legislation, NDOR will be hiring 1 additional full time specialized attorney to process the reviews in-house. The agency will also re-direct the work for 4 existing FTEs to staff the NEPA reviews. It is anticipated that all expenditures will be handled within the current Appropriations allotted to NDOR. Therefore, no new appropriation or PSL is requested

1 specialized attorney in NEPA, salary \$100K/year, plus benefits @ 69%	\$169,000
4 Biologists, salary \$56K/year, plus benefits @ 69% = \$94,640/biologists	<u>378,560</u>
Total Salary and benefits	\$547,560

By NDOR assuming the NEPA review, timelines for these evaluations and project delivery can be reduced resulting in an annual cost avoidance of approximately \$12-19 million. NDOR used the current approved State Transportation Improvement Program (STIP) to analyze the savings. Savings realized are based on the time value of money and can be applied to delivering additional highway construction and maintenance projects each year.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2017-18</u>	<u>2018-19</u>
	<u>17-18</u>	<u>18-19</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Specialized Attorney	_____	1	_____	\$100,000
Biologist	_____	4	_____	\$224,000
Benefits.....	_____	_____	_____	\$223,560
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
<b>TOTAL.....</b>	_____	_____	_____	<b>\$547,560</b>