

PREPARED BY: Scott Danigole  
 DATE PREPARED: February 02, 2022  
 PHONE: 471-0055

**LB 1199**

Revision: 00

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2022-23</b>		<b>FY 2023-24</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS	\$25,000,000			
OTHER FUNDS				
TOTAL FUNDS	\$25,000,000			

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

LB 1199 appropriates \$25 million from Federal Funds for fiscal year 2022-23 to the Department of Administrative Services (DAS) for Program 101 (Office of the Chief Information Officer – OCIO). These funds are to come from funds allocated to Nebraska from the federal Coronavirus State Fiscal Recovery Fund, pursuant to the federal American Rescue Plan Act (ARPA) of 2021.

The purposes of the appropriation are:

1. Establishing interoperable communications between state agencies and volunteer departments by providing portable and mobile radios, programming, and installation of all radios and equipment, and
2. Training with the Statewide Radio System to connect volunteer departments and agencies to use the system.

The OCIO is prohibited from charging subscription, programming, or training fees under the bill's provisions. The OCIO also notes that once the ARPA spending timeline passes, the ongoing cost for system maintenance will fall to the state. The current estimate for maintenance is \$2,847,115.

There is no basis to disagree with these estimates.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: <b>1199</b>	AM:	AGENCY/POLT. SUB: <b>Dept. of Administrative Services – OCIO</b>	
REVIEWED BY: Kimberly Burns	DATE: 02/02/2022	PHONE: (402) 471-4171	
COMMENTS: The Department of Administrative Services' assessment of fiscal impact for LB 1199 is reasonable given the bill language and assumptions used. The maximum funding available under the federal Coronavirus State Fiscal Recovery Fund is \$1.04 billion, of which only \$520 million is currently available. Appropriation of these funds must be balanced in aggregate in order to avoid over obligation.			

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

**2022**

**LB<sup>(1)</sup> 1199**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Department of Administrative Services (DAS) Office of the Chief Information Officer (OCIO)

Prepared by: <sup>(3)</sup> Nicole S Zimmermann Date Prepared: <sup>(4)</sup> 1-24-2022 Phone: <sup>(5)</sup> 402-471-4385

**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	_____	_____	See Below	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	<u>25,000,000</u>	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>25,000,000</u>	_____	<u>See Below</u>	_____

**Explanation of Estimate:**

LB 1199 as introduced would appropriate \$25 million in federal funds from the Federal Coronavirus State Fiscal Recovery Fund pursuant to the federal American Rescue Plan Act (ARPA) to establish interoperable communications between state agencies and volunteer departments by providing portable and mobile radios, including programming, installation, and training.

Section 1(2)(b) prohibits the Office of the Chief Information Officer (OCIO) from charging any subscription, programming or training fee after a volunteer department receives a grant from the program.

The life expectancy of a radio is twenty years. In the table below the twenty-year State Radio System (SRS) costs are estimated to be \$2,847,115. This represents the ongoing costs to maintain the radios on the system.

Once the timeline to expend the ARPA funds has passed, General Funds would need to be appropriated to the OCIO every fiscal year for the ongoing costs to maintain the radios on the system, as LB 1199 prohibits the COIO from charging a participant of the grant program.

It is also assumed that after the life expectancy of a radio is met, any replacement radios and associated costs would be paid by the volunteer department that received the original grant.

The estimated one-time cost per department are listed below:

	<b>Per Department</b>	<b>Estimated Departments</b>	<b>Total Projected Costs</b>
All Band Mobil radio (1)	\$ 8,540.00	495	\$ 4,227,300
All Band portable radio (1)	\$ 8,540.00	495	\$ 4,227,300
Digital Vehicle Repeater (1)	\$ 16,800.00	495	\$ 8,316,000
Programming and Installation (1)	\$ 850.00	495	\$ 420,750
SRS Cost 20 years	\$ 5,751.75	495	\$ 2,847,115
Training (per dept)	\$ 2,500.00	495	\$ 1,237,500
Project Management (per dept)	\$ 4,769.07	495	\$ 2,360,689
General Admin (per dept)	\$ 2,754.24	495	\$ 1,363,346
<b>Total One Time Cost per Department</b>	<b>\$ 50,505.06</b>	<b>495</b>	<b>\$ 25,000,000</b>

**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.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				