

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2023-24</b>		<b>FY 2024-25</b>	
	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.**

LB226 amends the Transportation Innovation Act to allow contracting agencies the ability to combine the separate qualification and proposal steps into a single-step process, if they determine it to be in their best interest. If the single-step process is used, the contracting agency is required to consider the qualifications of all proposing construction managers as a part of the request for proposals.

In addition, this bill permits the department to procure services using an unsolicited proposal, when the department determines there is sufficient merit to pursue the unsolicited proposal and a reasonable opportunity for other entities to submit competing proposals. LB226 allows the department to implement an unsolicited proposal process, utilize funds for evaluation, reviewing, developing, and implementing unsolicited proposals. Then, enter into contracts for such proposals as deemed by the department to be in the best interest of the state. In the scoring process, preference may be given for creativity and innovative unsolicited proposals which afford a substantive benefit to the state beyond traditional procurement and project delivery methods.

The Nebraska Department of Transportation (NDOT) has indicated a minimal fiscal impact from LB226; hence, they can accommodate these changes using their existing appropriations.

There is no basis to disagree with the minimal fiscal impact estimated by NDOT.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB:	226	AM:	AGENCY/POLT. SUB: Department of Transportation
REVIEWED BY:	Lee Will	DATE:	3/6/2023
		PHONE:	(402) 471-4175
COMMENTS: Concur with the Department of Transportation's assessment of fiscal impact.			

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

**2023**

**LB<sup>(1)</sup> 226**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Department of Transportation

Prepared by: <sup>(3)</sup> Liza Alderman Date Prepared: <sup>(4)</sup> 2/27/23 Phone: <sup>(5)</sup> 402-479-4692

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

	<u>FY 2023-24</u>		<u>FY 2024-25</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>	<b>=====</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>

**Explanation of Estimate:**

LB 226 proposes a contracting agency may combine the separate qualification and proposal steps of section 39-2817 and section 39-2818 into a single-step process if the contracting agency determines a single-step process is in the agency's best interest.

In addition, LB 226 proposes the department utilizing public-private partnership may procure services using an unsolicited proposal if the department determines there is sufficient merit to pursue the unsolicited proposal and a reasonable opportunity for other entities to submit competing proposals for consideration with a possible contract award. The passing of LB 226 would allow the department to charge and retain one or more administrative fees for the evaluation and detail review of an unsolicited proposal. As well as allow processes for unsolicited proposals to be implemented and funds to be expended to evaluate, review, develop, and implement unsolicited proposal. LB 226 states the department may enter into contracts for such proposals deemed to be in the best interest of the state as well as give preference to creative and innovative unsolicited proposals that provide material benefit to the state beyond traditional procurement and project delivery methods.

If LB 266 is enacted, Nebraska Department of Transportation will be able to administer the proposed changes within existing resources.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2023-24</u>	<u>2024-25</u>
	<u>23-24</u>	<u>24-25</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
<b>TOTAL.....</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>