

PREPARED BY: Shelly Glaser  
 DATE PREPARED: February 22, 2023  
 PHONE: 402-471-0052

**LB 212**

Revision: 00

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

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

LB212 would require the Nebraska Department of Transportation (NDOT) to plan, design, and purchase the rights-of-way for the continuous four-lane divided U.S. Highway 75 located between Plattsmouth, Nebraska south to the Kansas border. This bill states the Nebraska Legislature’s intent to appropriate General funds for these purposes related to U.S. Highway 75 and to fund the paving or hard-surfacing of all state highways in the state that remain unpaved.

The NDOT has indicated portions of U.S. Highway 75 between Plattsmouth, and the Kansas border, have been planned for already. However, the unplanned for portion would cost approximately \$745,400,000 to construct. The approximation for planning, designing, and purchasing the rights-of-way costs would total \$47,300,000, broken down to \$23,650,000 in both FY2023-24 and FY2024-25.

The total cost to pave or hard-surface of all state highways in the state that remain unpaved, is estimated to cost \$90,000,000, or \$45,000,000 in both FY2023-24 and FY2024-25.

Hence, the General Fund appropriation to NDOT for these expenditures in this biennium would be \$68,650,000 each year.

NDOT’s estimation of expenditures appears reasonable.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB:	212	AM:	AGENCY/POLT. SUB: Department of Transportation
REVIEWED BY:	Lee Will	DATE:	2/24/2023
		PHONE:	(402) 471-4175
COMMENTS: The Department of Transportation’s assessment of fiscal impact seems reasonable given the assumptions provided.			

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

**2023**

**LB<sup>(1)</sup> 212**

**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> 2/21/23 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	\$68,650,000	\$68,650,000	\$68,650,000	\$68,650,000
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$68,650,000</b>	<b>\$68,650,000</b>	<b>\$68,650,000</b>	<b>\$68,650,000</b>

**Explanation of Estimate:**

LB 212 proposes the Dept. of Transportation (NDOT) to plan, design, and purchase rights-of-way for a four-lane divided highway system located along U.S. Highway 75 running from Plattsmouth, Nebraska, south to the Kansas border. It is the intent of the Legislature to appropriate General Funds for the planning, design, and purchase of rights-of-way for the U.S. Highway 75 between Plattsmouth, Nebraska, and the Kansas border.

In addition, LB 212, states intent of the Legislature to appropriate General Funds for the paving or hard-surfacing of all state highways in the state that remain unpaved.

NDOT has studied the expansion of U.S. Highway 75 from Plattsmouth, Nebraska, south to the Kansas border with portions of the corridor currently included in NDOT's planning efforts. In November 2020, Murray, Nebraska to Plattsmouth, Nebraska was placed under contract with anticipated completion in FY2023. NDOT estimates the remaining miles of the corridor would cost approximately \$745.4 million to construct. Based on an analysis of preliminary engineering and right-of-way costs for the Murray to Plattsmouth corridor the fiscal impact of LB212, if enacted, is estimated to be \$47.3 million for planning, design, and right-of-way costs. It is assumed preliminary engineering, including planning and design, and acquisition of right-of-way would take place over the next two years, evenly distributed at \$23,650,000 each year.

NDOT estimates the total cost to pave or hard-surface the remaining 39.1 miles of gravel highways to be \$90 million. It is assumed the work would take place over the next two years, evenly distributed at \$45 million each year.

This fiscal note assumes NDOT will receive a General Fund appropriation of \$68,650,000 to support the intent of the Legislature to fund the expansion of U.S. Highway 75 and pave or hard-surface the remaining unpaved state highways.

**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.....			\$23,650,000	\$23,650,000
Aid.....				
Capital improvements.....			\$45,000,000	\$45,000,000
<b>TOTAL.....</b>				