

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2024-25</b>		<b>FY 2025-26</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS		(See Below)		(See Below)
OTHER FUNDS	See Below			
TOTAL FUNDS	See Below	(See Below)		(See Below)

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

LB1378 appropriates a yet to be decided amount of money from the Nebraska Public Safety Communication System Revolving Fund to the Department of Administrative Services to be used in establishing interoperable communications between state agencies and volunteer departments, and training those departments on the statewide radio through a grant program.

The bill prohibits departments in the same county as Omaha, Lincoln or any first-class city from being eligible for the grant program.

The bill prohibits the Office of the Chief Information Officer from charging the eligible volunteer departments for subscriptions, equipment or training under this program.

The bill transfers previously accrued interest earnings from the 911 Service System Fund to the Nebraska Public Safety Communication System Fund.

The bill directs the State Treasurer to transfer a yet to be decided amount of money from the 911 Service System Fund to the Nebraska Public Safety Communication System Fund as soon as possible.

The OCIO estimates the cost of this system per radio to be \$12,000. Because it is unclear how much money will be transferred, they are unable to estimate how much will be expended.

The Nebraska Public Service Commission indicates the transfer from the 911 Service System Fund could make the State of Nebraska ineligible for some or all future federal monies due to the interest being “previously accrued.” It is unknown how much federal money may not be available. A transfer of prospective interest amounts would not implicate the loss of federal funds.

The fiscal impact of this bill is unknown.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: <b>1378</b>	AM:	AGENCY/POLT. SUB: <b>Nebraska Public Service Commission</b>	
REVIEWED BY: Kimberly Burns	DATE: 02/01/2024	PHONE: (402) 471-4171	
COMMENTS: Concur with the Nebraska Public Service Commission’s assessment of indeterminate fiscal impact from LB 1378, as written.			

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: <b>1378</b>	AM:	AGENCY/POLT. SUB: <b>Dept. of Administrative Services – Office of the Chief Information Officer (OCIO)</b>	
REVIEWED BY: Kimberly Burns	DATE: 02/01/2024	PHONE: (402) 471-4171	
COMMENTS: Concur with the Department of Administrative Services – Office of the Chief Information Officer’s assessment of indeterminate fiscal impact from LB 1378, as written.			

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

2024

LB<sup>(1)</sup> 1378

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> Noah Finlan Date Prepared: <sup>(4)</sup> 1/26/2024 Phone: <sup>(5)</sup> 402-471-4385

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2024-25		FY 2025-26	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
REVOLVING FUNDS	See below	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

LB 1378 as introduced appropriates a non-specified amount from the Nebraska Public Safety Communication System Revolving Fund to the Department of Administrative Services – Office of the Chief Information Officer (DAS-OCIO), Program 245. LB 1378 also provides for the transfer of previously accrued investment earnings from the 911 Service System Fund to the Nebraska Public Safety Communication System Revolving Fund at the direction of the Legislature. The bill also provides that the State Treasurer shall transfer a non-specified amount from the 911 Service System Fund to the Nebraska Public Safety Communication System Revolving Fund as soon as administratively possible on such dates and amounts as directed by the Budget Administrator of DAS.

The legislation as introduced requires DAS-OCIO to establish interoperable communications between state agencies and volunteer departments within certain criteria. This would require DAS-OCIO to provide portable and mobile radios, programming, installation and training for all radios and equipment. Below is an estimated cost of putting a single radio into service for interoperability.

No total operating expense can be provided as the fund balance threshold is not yet known and therefore the total number of radios that can be purchased is also unknown.

Equipment Portable Purchases	\$ 9,569.00
Training Costs (100/hr x 4 hrs)	\$ 400.00
Travel Expense	\$ 300.00
SRS Setup/Config (100/hr x 4 hrs)	\$ 400.00
Fees (10 year life expectancy)	\$ 1,320.00
<b>Total cost per radio</b>	<b>\$ 11,989.00</b>

The bill does have an emergency clause.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<b>POSITION TITLE</b>	<b>NUMBER OF POSITIONS</b>		<b>2024-25</b>	<b>2025-26</b>
	<b><u>24-25</u></b>	<b><u>25-26</u></b>	<b><u>EXPENDITURES</u></b>	<b><u>EXPENDITURES</u></b>
Benefits.....				
Operating.....			See above	
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				

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

2024

LB<sup>(1)</sup> 1378

FISCAL NOTE

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Public Service Commission

Prepared by: <sup>(3)</sup> Laurie Casados Date Prepared: <sup>(4)</sup> 1/24/2024 Phone: <sup>(5)</sup> 402-471-0252

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

	<u>FY 2024-25</u>		<u>FY 2025-26</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>

**Explanation of Estimate:**

This bill transfers “previously accrued investment earnings” from the 911 Service System Fund to the Nebraska Public Safety Communication System Revolving Fund to be used by the Department of Administrative Services to provide portable and mobile radios, programming, installation and training for radios and equipment, for communication between state agencies and volunteer departments that are located in any county that does not have a city of the metropolitan class, primary class or first class.

The bill does not currently include a dollar amount for such a transfer of funds from the 911 Service System Fund, so the amount of direct fiscal impact cannot yet be determined.

While the state has transferred prospective interest from the 911 fund in the past, the transfer of previously accrued investment earnings could be considered fee diversion. As a matter of program administration and cash flow management, any investment earnings that have been previously earned in the 911 fund are added to the available monies for program support each year; the investment earnings do not sit in the fund unused year over year. Any transfer that is outside of just prospective interest, which has not yet been assigned as available support, could place the State of Nebraska on the list of states that have diverted monies collected for the express purpose of 911 to other general purposes. This could make the State of Nebraska ineligible for future federal monies available for 911 purposes. The dollar amount associated with this loss of all possible federal funding cannot be determined at this time but could be substantial, and likely in the millions of dollars of federal monies that the state would not be eligible to apply for.

Furthermore, any dollars transferred from the fund for other purposes would reduce the amount of funds available for the 911 Service System and the 68 locally operated 911 centers in Nebraska.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25</u>	<u>2025-26</u>
	<u>24-25</u>	<u>25-26</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____

