

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2009-10		FY 2010-11	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 645 changes provisions related to public service contracts.

Section 2 provides definitions for the following terms for purposes of sections 73-501 to 73-508 and sections 6 to 8 of the act.

- Displaced employee
- Occasional
- Temporary
- Urgent

Section 6 requires state agencies to conduct a cost-benefit analysis between using state employees to perform services and contracting for those services, if the proposed contract is in excess of fifty thousand dollars (\$50,000). This provision applies if the services proposed are being performed or have been performed by a state employee within the preceding twelve months or if the services are required for new programs that were not in existence within the previous 12 months.

Section 7 directs the materiel division of the Department of Administrative Services (DAS) to develop guidelines for state agencies to use in conducting a cost-benefit analysis.

Section 8 requires DAS to adopt and promulgate rules and regulations to carry out the bill's provisions.

DAS reports that the activities required under LB 645 are essentially being conducted now. The only new requirement is the filing of an analysis with the fiscal office and rule and regulation promulgation. According to DAS, any costs can be absorbed with current resources.

No fiscal impact.