

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2010-11		FY 2011-12	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	See below	See below	See below	See below
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

LB 982 is the Build Nebraska Act, which sets up the State Infrastructure Bank Fund (Fund) which is financed with federal funds received by the state pursuant to 23 U.S.C. Chapter 6, Infrastructure Finance; bond proceeds; or other money as determined by the Legislature. The purpose of the Fund is to assist the state, counties and municipalities in financing surface transportation projects by providing matching funds through the use of bonding. Authority is given to issue up to \$250 million of bonds, but the actual amount of bonds issued will be limited to the debt level that can be serviced with the money available in the Fund.

The State Highway Commission is given the authority to issue the bonds and entities that wish to receive funding from the Fund make application to the Commission. The bill delineates the type of projects that are eligible for funding and the percentage of the match to be provided.

The Department of Roads has indicated that \$2.83 million of federal infrastructure finance money would be transferred into the Fund (a one-time deposit) from the Roads Operations Cash Fund where this money is currently deposited. This will have the effect of reducing by \$2.83 million money available to the department to complete construction projects. Whether the department will recoup any of this money by applying for a grant from the Fund is unknown at this time.

Given that an on-going source of revenue which would be used to service the debt is not specifically identified, no estimate can be provided of the amount of bond money available for financing surface transportation projects. In fact, it appears unlikely that any bonds could be issued due to the lack of a steady revenue stream.

Costs likely to be incurred by the State Highway Commission and the Department of Roads in administering the Build Nebraska Act will depend on whether any bonds are issued, which cannot be determined at this time.

DEPARTMENT OF ADMINISTRATIVE SERVICES

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COMMENTS					
No basis to disagree with Department of Roads' analysis and the indeterminable fiscal impact until the issuance of bonds occurs.					