

Updated for amendments adopted to date.

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2016-17</b>		<b>FY 2017-18</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS	59,072	59,072	4,260	4,260
TOTAL FUNDS	59,072	59,072	4,260	4,260

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

LB 851, as amended, changes provisions related to the Taxpayer Transparency Act.

Section 3 provides definitions for “Expenditure of state funds”, “Pass-through funds”, “State entity”, and “State receipts”.

Section 4 requires the State Treasurer to develop and maintain a single, searchable web site with information on state receipts, expenditures of state funds, and contracts which is accessible by the public at no cost to access.

The Department of Administrative Services will need to modify the State Contracts Database to accommodate additional entities and develop user authentication portal for such entities. They estimate a cost of \$59,072 to address this work. In addition, an estimated of 30 hours per year for maintenance work is estimated. The ongoing cost is estimated to be \$4,260. This work would be paid with Revolving Funds. These estimates appear to be reasonable.

As amended, the Nebraska State College System estimates minimal impact. Any additional costs can be absorbed by the agency.

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

**2016**

**LB<sup>(1)</sup> 851, AM 2149**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup>

Nebraska State Treasurer

Prepared by: <sup>(3)</sup> Jason Walters

Date Prepared: <sup>(4)</sup> April 5, 2016

Phone: <sup>(5)</sup> 402-471-2793

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

	<u>FY 2016-17</u>		<u>FY 2017-18</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>	=====	=====	=====	=====

Explanation of Estimate:

No fiscal impact

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2016-17</u>	<u>2017-18</u>
	<u>16-17</u>	<u>17-18</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
<b>TOTAL.....</b>	_____	_____	_____	_____

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

2016

LB<sup>(1)</sup> 851 AM2149

FISCAL NOTE

State Agency OR Political Subdivision Name: <sup>(2)</sup> Department of Administrative Services (DAS) - Materiel

Prepared by: <sup>(3)</sup> Ana Hyler Date Prepared: <sup>(4)</sup> 04/05/2016 Phone: <sup>(5)</sup> 402-471-2432

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

	<u>FY 2016-17</u>		<u>FY 2017-18</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
REVOLVING FUNDS	<u>\$59,072</u>	<u>\$59,072</u>	<u>\$4,260</u>	<u>\$4,260</u>
TOTAL FUNDS	<u>\$59,072</u>	<u>\$59,072</u>	<u>\$4,260</u>	<u>\$4,260</u>

**Explanation of Estimate:**

LB851 provides for the website of the State Treasurer to contain links to additional types of expenditures of State funds. The legislation as written redefines "state entity," to include other bodies created by state statute that include a person appointed by the Governor, the head of any state agency or department, an employee of the State of Nebraska, or any combination of such persons. AM2149 amends the definition of "expenditure of state funds" to include expenditures authorized by the University of Nebraska, Board of Trustees of the Nebraska State Colleges or a public corporation pursuant to 85-403 to 85-411 as well as provides an exemption from inclusion in the DAS website of contracts entered into by the Nebraska Investment Finance Authority for the purposes to a specifically named individual and his/her family.

This bill would require approximately 15 additional semi-independent state entities to submit contract information into the State Contracts Database/Website. These entities do not use the EnterpriseOne Financial System. These entities do not have state credentials or access to the state network.

This legislation would require DAS - Materiel Division to modify the State Contracts Database solution to allow for the additional entities and develop user authentication portal for such additional entities. Modification of the database solution will be required to grant appropriate access to the applicable Public Active Directory (AD) groups for the solution. The smaller entities would input their contract data and documents directly into the State Contracts Database solution. Document Types and a numbering structure will need to be set up for each new entity.

The State Contracts Database Website search page(s) will also require modification to include "Other State Entities" so their contracts can be searched separate from State Agencies and Higher Education.

This project will require design, development, testing, technical review, and training. This project is estimated to take 416 hours of work at a rate of \$142 per hour, totaling \$59,072.00 (416 hrs. X \$142 = \$59,072).

Ongoing this solution will require an estimated additional 30 hours, per year, of maintenance work at the rate of \$142 per hour, or \$4,260 yearly (30 hrs. X \$142 = \$4,260). The legislation as drafted also appears to include subcontracts. The State generally does not collect subcontracts, or have any involvement in the payment of subcontracts or subcontractors. If the intent is to include subcontracts into the database this would involve additional time and expense and could invite resistance from contractors.

These additional costs could potentially result in the need for additional revolving appropriation and an increased DAS - Materiel/Purchasing Assessment for FY16-17. Some of the entities that would be included in this bill are not included in the assessment. The additional costs associated with the "Other State Entities" added to the database would likely need to be absorbed into the assessment being charge to State Agencies across the board.

The additional ongoing costs for FY17-18 would be addressed in the assessment development for the new biennium, but as indicated previously, could potentially result in an increased assessment and a possible increase in appropriation.

The table below summarizes the impact by fund type of the potentially increased statewide DAS - Materiel/Purchasing Assessment. The allocation by fund type is based on total FY14-15 operational expenditures.

	FY2016-17	FY2017-18
	Expenditures	Expenditures
General Funds	\$15,762	\$1,137
Cash Funds	\$21,922	\$1,580
Federal Funds	\$12,436	\$897
Revolving Funds	\$8,952	\$646
Total Funds	\$59,072	\$4,260

The amendment adds no additional fiscal impact to DAS.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

POSITION TITLE	NUMBER OF POSITIONS		2016-17	2017-18
	16-17	17-18	EXPENDITURES	EXPENDITURES
Benefits.....				
Operating.....			\$59,072	\$4,260
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
<b>TOTAL.....</b>			<b>\$59,072</b>	<b>\$4,260</b>

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

**2016**

**LB<sup>(1)</sup> 851 as amended with AM2149**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup>

Nebraska State College System (NSCS)

Prepared by: <sup>(3)</sup> Carolyn Murphy

Date Prepared: <sup>(4)</sup> 4/5/2016

Phone: <sup>(5)</sup> 402-471-2505

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

	<u>FY 2016-17</u>		<u>FY 2017-18</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>Minimal</u>	<u>_____</u>	<u>Minimal</u>	<u>_____</u>

**Explanation of Estimate:**

LB851 makes changes to the Taxpayer Transparency Act and would add additional reporting requirements for the NSCS. The additional reporting requirements include receipt information, as well as the addition of contracts and expenditures from the NSCS revenue bond programs and Facilities Corporation.

As amended with AM2149, LB851 would require the NSCS to report all receipts in total amounts by category of impact. With this change to LB851, the fiscal impact is estimated to be minimal.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2016-17 EXPENDITURES</u>	<u>2017-18 EXPENDITURES</u>
	<u>16-17</u>	<u>17-18</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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

**2016**

**LB<sup>(1)</sup> 851 AM 2149**

**FISCAL NOTE**

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

Prepared by: <sup>(3)</sup> Michael Justus Date Prepared: <sup>(4)</sup> April 5, 2016 Phone: <sup>(5)</sup> 402-472-2191

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

	<u>FY 2016-17</u>		<u>FY 2017-18</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:

The proposed amendment would allow reporting of income by totals and would have nominal fiscal impact.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2016-17</u>	<u>2017-18</u>
	<u>16-17</u>	<u>17-18</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>