

Transcript Prepared by Clerk of the Legislature Transcribers Office
Appropriations Committee February 8, 2024
Agency 64, Nebraska State Patrol
Rough Draft

WISHART: And we will open the hearing for Agency 64, the Nebraska State Patrol. Welcome.

JOHN BOLDUC: Well, thank you. And good afternoon, Senator Wishart and members of the Appropriations Committee. I'm Colonel John Bolduc, J-o-h-n B-o-l-d-u-c, Superintendent of the Nebraska State Patrol. I want to thank you for giving me the opportunity to appear before you today to offer testimony concerning the Governor's recommendation in LB1412, the mid-biennium budget bill. The Governor's recommendations back in 2022, the mid-biennium deficit bill, LB1011, appropriated about \$16.8 million to the expansion of the crime lab. This expansion provides an additional 30,800 square feet, which will meet the current and future needs of the State Patrol Crime Lab. In the 2024 mid-biennium budget bill, LB1412, the State Patrol noted an additional \$9.2 million in funding will be needed to complete the project based on recent cost estimates. The increase in cost from the original estimate is due to several factors. The large inflationary price increase in construction materials have played a role in this increase. Additionally, the development of the project with more exact and detailed schematic designs versus a conceptual design has resulted in a firmer, more accurate estimate. Finally, the complexity of the expansion of expanding the crime laboratory in phases will make sure it remains fully operational, clean and secure. Thus, the requiring of the phasing of this project, which this adds to the overall cost. The recommendations for LB1412 include appropriations for these increases. This continued support for the expansion provides a solution to continue to address the increasing volumes in testing backlogs, delays in testing, as well as increased turnaround times currently experienced by the lab. The Governor's recommendations for LB1412 also include salary increases for officers that are classified under the Nebraska personnel rules, which totals about \$1.1 million. Recently, contract negotiations for the State Law Enforcement Bargaining Council, or SLEBC, resulted in historically high salary increases of approximately 22.1% back in July of '23 for law enforcement members of SLEBC. This includes employees with the rank of trooper or sergeant, while other sworn positions above the rank of sergeant are determined based upon the State of Nebraska personnel rules, which had provided for a salary increase of 7% for qualifying employees. These positions are not members of the SLEBC labor union. In order to maintain equitable salary levels amongst all ranks of sworn employees, the agency, with the Governor's support, increased the salary levels for the rules-based employees to an amount commensurate with that of the

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SLEBC employees. During the first year of the biennium, the agency has been able to cover the additional increase through its vacancy savings. However, as the agency continues to fill vacant positions, the amount of vacancy savings will decrease. Therefore, I respectfully ask the committee to include the Governor's recommendation on this important request. I want to express our appreciation of your ongoing support of public safety initiatives. The Nebraska State Patrol remains committed to operating in a fiscally responsible manner, and will continue to do so with your support. I'd be happy to answer any questions you might have at this time.

WISHART: Thank you for being here today. Thank you. Thank you for your service as well. Any questions from the committee? Senator Vargas.

VARGAS: Thank you very, very much for being here. And thank you for your work in the past. You know, the committee supported the expansion of the crime lab. And I just have a couple questions, because I don't think the committee-- I won't speak for the committee-- I don't think I am opposed to more funding. The question I have is we've been getting-- we've been hearing about rising costs for a lot of different projects, for construction costs. I think the concern that we had, at least in the conversation, the concern I had was escalating by 55% was a lot. And if we had that original number, \$8 million or \$9 million more, or the 16.8 this, this, the question would be, would we have been able to even do it last year? Or we would have phased it out over a couple years. So, 2 questions, 1 topic. What, what really led to at least maybe-- what led to the increase or costs or the under, underevaluating or estimating the, the project bid? And is it absolutely necessary that the funds need to be appropriated this year? Or is it something that can be spread out over future years? Those are the 2 questions.

JOHN BOLDUC: Great. Thank you, Senator. First of all, your observations about the overruns are well-founded. We might be able to attribute-- these are all the same questions that I had when this challenge and opportunity was brought to me. Within the construction costs, materials, you know, that could account for maybe 15 to 20%. But the 50, 55%, as you indicated, is high. And certainly if we had known that that would have been-- would have been the cost, we would have brought that number to the committee at that time. The bottom line is the initial consulting firm missed the mark, as simple as that. They underestimated it. And as we got into the detailed design, and keep in mind the initial architect and engineering firm that did

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the initial assessment is not the same firm that is doing the estimates at this time due to procurement rules. And the new firm or the second firm is bringing in much more detailed plans. And the only explanation that I can give is that the initial firm just under, undershot by quite a bit. It might sound like an excuse, but that's, that's the reason.

VARGAS: OK. And the second question, which is, is all the-- this is-- this being a mid-biennium adjustment, if we were putting the money in this year, all of this would be spent this year?

JOHN BOLDUC: That's another great question, Senator. As the project spools up, you know, I guess it's conceivable that we could phase it over 2 years, but the, the push is to get this project moving. It's still moving very well through the design phase. And we need to get it done because we're, we're understaffed. We're-- we don't have room for more equipment, and we need to get it moving. So if we were to phase it over the next, you know, the balance of this biennium and the next biennium, it would have to be done rather soon in the beginning of the next biennium. So I think there's some risk involved with that, Senator. I know it's a big ask. But this is also the demand for the service is there, and I don't see that decreasing.

VARGAS: OK, well, I appreciate it. I ask more for accounting because unless it's all going to be spent this year, if it's like half of it will be spent this year, and we can go to the next mid-biennium. We can go to the next budget and then account for the additional amounts or more overruns that might happen. I hope that's not the case but.

JOHN BOLDUC: That makes two of us.

VARGAS: Yeah. Thank you.

WISHART: Senator Dorn, did you have a question?

DORN: Thank you, Senator Wishart. Thank you for being here and doing what you do. I-- you answered some of my questions with Senator Vargas here. But I guess are you thinking about or have you thought about going back and not having the same design or the same, I call it, concept of the building and everything in there? And with that, what about the current facility? Are you-- what's happening with that?

JOHN BOLDUC: So thank you, Senator. That's a great question. So the, the current facility is just-- it's going to be added on to. And in

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the-- we have to keep doing the business. OK. So they'll, as I understand it, they will be able to build part of the laboratory space by keeping it separate from the existing lab. And then once that's functional, move some functions into there, then add on to the next part of the building. So your original question is basically can we descope this thing? That's what got us into this problem in the first place. When the crime lab opened the first of 2015, it was too small the day we moved in. And because of costs, it was descoped at the time. And ultimately, our partners across the state suffered as a result of it. We immediately experienced increases in backlogs. That impacted prosecutions. We don't want to be in that position again. So the scope of the project is necessary. It's unfortunate that we didn't have more accurate numbers when we first came to this body. We believe we have good numbers at this point.

DORN: Thank you.

WISHART: Any additional questions? OK, I do have one. Have we seen a decrease since we passed constitutional carry, the need for background checks regarding concealed carry permits?

JOHN BOLDUC: So thank you, Senator. That's a great question. Initially we did see a decrease. I don't have those numbers, but I'd be glad to get those to you because we keep track of those on a monthly basis. What we're-- what we're seeing anecdotally is a steady number of renewals for those who had purch-- you know, permits. But the initial applications did decrease initially. And I could certainly get those numbers to you.

WISHART: Yeah. It's, it's always helpful for us to see in Appropriations Committee when a bill reduces the need for, for costs in, in government.

JOHN BOLDUC: I believe that's very much true.

WISHART: OK Any other final questions? Thank you so much for being here.

JOHN BOLDUC: Senator, thank you.

WISHART: OK. Additional individuals who would like to testify regarding Agency 78.

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WISHART: Excuse me, Agency 64, sorry. OK. Seeing none, anything for the record? No items for the record so that closes the hearing for Agency 64.