

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)

	FY 2025-26		FY 2026-27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS			\$103,518	
CASH FUNDS	\$135,000		\$135,000	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$135,000		\$238,518	

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

LB 660 creates the Secure Drone Purchasing Act. Beginning on January 1, 2027, state agencies or other entities using state funds may only purchase a drone that meets the following criteria:

- It must be cleared by the United States Department of Defense Blue UAS program.
- It must be compliant with the National Defense Authorization Act for FY 2024.
- It must be only be designed, maintained, modified or operated in a manner incapable of transmitting data to unauthorized persons
- It must present no threat to the security of the State of Nebraska.

Before January 1, 2026, the Division of Aeronautics of the Department of Transportation shall create and maintain a list of secure drones meeting these criteria and authorized for purchase. This list must be on the divisions website and updated at least every 6 months.

The Division also may consult with cybersecurity experts to ensure the integrity and security of data collected by aerial systems used in Nebraska.

The Nebraska Department of Aeronautics anticipates utilizing a consultant to create and maintain this list on an ongoing basis and estimates \$135,000 of cash funds each year for this expense.

The Nebraska State Patrol anticipates replacing 1/3 of its drones in FY 2026-27 and anticipates the cost of approved drones will be significantly higher than those they currently utilize. Beginning in FY 2026-27 NSP requires an increase of \$103, 518.

There is no basis to disagree with these estimates.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 660	AM:	AGENCY/POLT. SUB: Nebraska Department of Transportation	
REVIEWED BY: Joe Massey		DATE: 2/14/2025	PHONE: (402) 471-4181
COMMENTS: Nebraska Department of Transportation's assessment of fiscal impact from LB 660 appears reasonable using the assumptions provided			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 660	AM:	AGENCY/POLT. SUB: Nebraska Department of Correctional Services	
REVIEWED BY: Joe Massey		DATE: 2/7/2025	PHONE: (402) 471-4181
COMMENTS: No basis to disagree with the Nebraska Department of Correctional Service's assessment of no fiscal impact from LB 660			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 660	AM:	AGENCY/POLT. SUB: Nebraska State Patrol
REVIEWED BY: Joe Massey	DATE: 2/12/2025	PHONE: (402) 471-4181
COMMENTS: Nebraska State Patrol assessment of fiscal impact from LB 660 appears reasonable using the assumptions provided		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 660	AM:	AGENCY/POLT. SUB: Department of Administrative Services
REVIEWED BY: Joe Massey	DATE: 2/3/2025	PHONE: (402) 471-4181
COMMENTS: No basis to disagree with the Department of Administrative Services assessment of no fiscal impact from LB 660.		

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

2025

LB⁽¹⁾ 660

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Department of Administrative Services (DAS) – Materiel Division

Prepared by: ⁽³⁾ Michelle Potts Date Prepared: ⁽⁴⁾ 1/27/2025 Phone: ⁽⁵⁾ 402-432-0121

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2025-26</u>		<u>FY 2026-27</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
REVOLVING FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

LB 660 restricts any state agency from purchasing or acquiring drones or unmanned aerial systems other than those cleared by the Division of Aeronautics of the Nebraska Department of Transportation (NDOT), effective January 1, 2027.

Further, starting January 1, 2026, the Division of Aeronautics of the Nebraska Department of Transportation (NDOT) will work with the Department of Administrative Services - Materiel, to develop a list of secure drones authorized for purchase that contains the names of devices and vendors that meet certain requirements outlined by LB 660. This list is to be posted on the NDOT website.

LB 660 has no fiscal impact to the Department of Administrative Services – Materiel Division.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....			_____	_____
Operating.....			_____	_____
Travel.....			_____	_____
Capital outlay.....			_____	_____
Aid.....			_____	_____
Capital improvements.....			_____	_____
TOTAL.....			_____	_____

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

2025

LB⁽¹⁾ 660

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Department of Transportation

Prepared by: ⁽³⁾ Jenessa Boynton Date Prepared: ⁽⁴⁾ 2/12/2025 Phone: ⁽⁵⁾ 402-479-4691

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2025-26</u>		<u>FY 2026-27</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS				
CASH FUNDS	\$135,000		\$135,000	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$135,000		\$135,000	

Explanation of Estimate:

LB660 would establish the Secure Drone Purchasing Act to limit the purchase of unmanned aircraft systems known to present a security threat to the state, its businesses, and its residents. If enacted, Nebraska Department of Transportation (NDOT), in consultation with the Department of Administrative Services, shall create and maintain the "List of Secure Drones Authorized for Purchase" containing the device name and vendor on or before January 1, 2026. The list shall be published on NDOT's website and updated at least every six months. Effective January 1, 2027, no state funds shall be used to acquire a drone or unmanned aerial system that is not found on the list.

Due to NDOT's limited capacity and expertise, if LB660 is enacted, NDOT would hire a consultant to approve drones which present no threat to the security of the State of Nebraska. Multiple variables such as the number of drones evaluated, scope of testing, and the complexity of the drone can impact the consultant cost. The estimated fiscal impact for hiring a consultant is \$135,000 annually.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....				
Operating.....			\$135,000	\$135,000
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			\$135,000	\$135,000

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

2025

LB⁽¹⁾ 660

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska State Patrol

Prepared by: ⁽³⁾ Carol Aversman Date Prepared: ⁽⁴⁾ 02/07/2025 Phone: ⁽⁵⁾ 402-471-4545

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2025-26		FY 2026-27	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u> </u>	<u> </u>	<u>103,518</u>	<u> </u>
CASH FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
FEDERAL FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
OTHER FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u> </u>	<u> </u>	<u>\$103,518</u>	<u> </u>

Explanation of Estimate:

LB 660 adopts the Secure Drone Purchasing Act. Effective 1/1/2027, (1) no state agency shall purchase or acquire a drone or unmanned aerial system other than those cleared by the Division of Aeronautics of the Department of Transportation, (2) no state funds shall be used to purchase or acquire a drone or unmanned aerial system whose purchase would be prohibited by section 5 of the act. Section 5 describes the development of a document known as the List of Secure Drones Authorized for Purchase. This list will include the names of devices and vendors that meet the criteria outlined in Section 5, including (1) being cleared by the U.S. Department of Defense through its Blue UAS Program, (2) determined to be compliant with the requirements of the National Defense Authorization Act for Fiscal Year 2024, Public Law 118-31, and (3) such devices shall be incapable of transmitting data to unauthorized persons or entities.

The average lifespan of drones utilized by the State Patrol is approximately three years. The Agency is working towards establishing a replacement cycle of 1/3 of the fleet per year. At present the State Patrol has 41 mapping drones and 13 thermal drones. Beginning sometime in 2027, the Patrol anticipates it will have fully transitioned to the 1/3 per year replacement cycle, which will result in the replacement of 14 basic mapping drones and 4 thermal drones. The additional costs as a result of this bill that the Patrol will incur upon transition to this replacement cycle are estimated at \$103,518 annually (\$98,482 = current vendor's cost vs. \$202,000 = cost of "secure" drones).

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Operating.....	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Travel.....	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Capital outlay.....	<u> </u>	<u> </u>	<u> </u>	<u>\$103,518</u>
Aid.....	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Capital improvements.....	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL.....	<u> </u>	<u> </u>	<u> </u>	<u>\$103,518</u>

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Department of Correctional Services

Prepared by: ⁽³⁾ Lisa Stanton

Date Prepared: ⁽⁴⁾ 01/23/2025

Phone: ⁽⁵⁾ (402)479-5702

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2025-26		FY 2026-27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Explanation of Estimate:

NDCS estimates no fiscal impact as a result of LB660.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE				
Personal Services:				
POSITION TITLE	NUMBER OF POSITIONS		2025-26	2026-27
	25-26	26-27	EXPENDITURES	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				