

Updated due to Amendment

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	\$120,120		\$337,463	
CASH FUNDS		See Below		See Below
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$120,120	See Below	337,463	See Below

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

AM 1008 proposes substantial revisions to LB 660 and also incorporates provisions from four other bills, including LB 445 (von Gillern), LB 664 (Storer), LB 29 (Conrad), and LB 662 (Andersen).

Section 1-19 would enact the State Building Construction Alternatives Act. This allows the Department of Correctional Services, the Department of Transportation, the Military Department, or the state building division to utilize the design-build contract or construction manager-general contractor contract depending on the best value for the construction project.

DAS anticipates a cost savings on some projects due to the flexibility this allows, however the actual amount of saving is unknown at this time.

Sections 20-24 would enact the Secure Drone Purchasing Act. This requires the Division of Aeronautics of the Department of Transportation to create a list of approved vendors the state may purchase drones from. It also outlines how the data collected by these drones must be collected and stored securely.

The State Patrol estimates this will raise the cost of annually replacing 1/3 of their drone fleet by \$103,518. This will start in 2027. Other agencies indicate any increase in costs can be addressed with their current appropriation.

Section 25 requires all state agencies to submit a federal funding inventory to the office of the Director of Administrative Services by September 15 or each even numbered year. It outlines the expectation of the inventory and requires these agencies to create an operating plan should the federal funds be reduced by 10 percent or more.

The State Patrol anticipates the need to hire a Federal Aid Administrator position to carry out these duties. The cost of this is approximately \$43,991 (\$24,540 PSL) in FY 2025-26 and \$83,790 (\$50,674 PSL in FY2026-27).

Other state agencies indicate the ability to complete these requirements with current resources. Not all state agencies were provided the opportunity to submit a response. Additional fiscal impact can be noted and addressed during the mid-biennium.

Section 26 raises the dollar amount for a construction project undertaken by the state requiring a project manager from \$50,000 to \$100,000 and dictates how this amount should be adjusted every four years.

DAS anticipates a cost savings with this change, the exact amount is unknown at this time.

Sections 27, 28 and 30 exempts the State Building Construction Alternatives Act from certain sections of statute. Section 29 adds the State Building Construction Alternatives Act to the responsibilities of the state building division. It also eliminates a required monthly report and changes the requirement of another report regarding leased property to be upon request and not required annually.

No fiscal impact for sections 27-30

Sections 31-34 adjust the requirements for the 1% for the Arts program. The dollar amount is raised for construction or remodeling projects to require 1% of appropriation be spent on Art work. Additional types of buildings and projects are made exempt from this requirement. The maximum amount of money that can be spent on art is \$300,000. A waiver process for exemption from this requirement is created.

DAS building division anticipates this will result in a decrease in costs, however the exact amount is unknown at this time. The Arts council anticipates a decrease in revenue due to this change.

Section 35 requires all state agencies to seek public comments when considering a rule or regulation and outlines how those comments must be received.

No fiscal impact with section 35

Section 36 expands where a petition can be filed regarding rules or regulations interfering with legal rights of the petitioner from just Lancaster County district court to other courts as outlined.

No fiscal impact for section 36

Section 37 requires a report from each agency every 5 years regarding its rules and regulations and outlines the details required in that report. These reports are submitted to the legislature and referenced to the committee of jurisdiction for each agency. It disallows rule making during the review process but does provide exceptions.

The State Patrol anticipates the need to hire an attorney III to carry out the requirements of this section. The cost is approximately \$76,129 (\$56,678 PSL) in FY2025-26 and \$150,155(\$117,039) in FY 2026-27.

Section 38-42 provide clarifying language.

No fiscal impact for these sections

This bill, as amended, will affect most agencies within state government. Fiscal notes were received from 12 agencies. 10 of those agencies indicated the ability to absorb the new requirements of this bill within their current appropriation.

The State Patrol does not believe these new duties can be absorbed. The fiscal office believes this to be reasonable.

The Real Property Appraisers indicate a slight increase in cost and requested additional appropriation. The fiscal office believes this agency and the other agencies who did not submit a fiscal note can absorb the additional requirements within their current budget. Each agency will have an opportunity to request additional funding through the regular budget process.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 660	AM: 1008	AGENCY/POLT. SUB: Nebraska Real Estate Commission
REVIEWED BY: Joe Massey	DATE: 4/17/2025	PHONE: (402) 471-4181
COMMENTS: No basis to disagree with the Nebraska Real Estate Commission's assessment of no fiscal impact from LB 660 AM 1008.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 660	AM: 1008	AGENCY/POLT. SUB: Nebraska Real Property Appraiser Board
REVIEWED BY: Joe Massey	DATE: 4/17/2025	PHONE: (402) 471-4181
COMMENTS: No basis to disagree with the Nebraska Real Property Appraiser Board's assessment of fiscal impact from LB 660 AM 1008		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 660	AM: 1008	AGENCY/POLT. SUB: Arts Council
REVIEWED BY: Joe Massey	DATE: 4/17/2025	PHONE: (402) 471-4181
COMMENTS: The Art Council's assessment of fiscal impact from LB 660 AM 1008 appears reasonable using the assumptions provided		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 660	AM: 1008	AGENCY/POLT. SUB: Nebraska State Historical Society
REVIEWED BY: Joe Massey	DATE: 4/23/2025	PHONE: (402) 471-4181
COMMENTS: No basis to disagree with the Nebraska State Historical Society's assessment of no fiscal impact from LB 660 AM 1008.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 660	AM: 1008	AGENCY/POLT. SUB: Nebraska Military Department
REVIEWED BY: Joe Massey	DATE: 4/23/2025	PHONE: (402) 471-4181
COMMENTS: No basis to disagree with the Nebraska Military Department's assessment of no fiscal impact from LB 660 AM 1008.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 660	AM: 1008	AGENCY/POLT. SUB: : Department of Administrative Services
REVIEWED BY: Joe Massey	DATE: 4/23/2025	PHONE: (402) 471-4181
COMMENTS: Department of Administrative Service's assessment of no net fiscal impact from LB660 AM 1008 appears reasonable.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 660	AM: 1008	AGENCY/POLT. SUB: State Board of Landscape Architects
REVIEWED BY: Joe Massey	DATE: 4/23/2025	PHONE: (402) 471-4181
COMMENTS: No basis to disagree with the State Board of Landscape Architect's assessment of no fiscal impact from LB 660 AM 1008.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 660	AM: 1008	AGENCY/POLT. SUB: Board of Geologists
REVIEWED BY: Joe Massey	DATE: 4/23/2025	PHONE: (402) 471-4181
COMMENTS: No basis to disagree with the Board of Geologist's assessment of no fiscal impact from LB 660 AM 1008.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 660	AM: 1008	AGENCY/POLT. SUB: Nebraska State Patrol
REVIEWED BY: Joe Massey	DATE: 4/23/2025	PHONE: (402) 471-4181
COMMENTS: The Nebraska State Patrol's assessment of fiscal impact from LB 660 AM 1008 appears reasonable using the assumptions provided		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 660	AM: 1008	AGENCY/POLT. SUB: : Nebraska Department of Correctional Services
REVIEWED BY: Joe Massey	DATE: 4/23/2025	PHONE: (402) 471-4181
COMMENTS: Nebraska Department of Correctional Service's assessment of no net fiscal impact from LB660 AM 1008 appears reasonable.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 660	AM: 1008	AGENCY/POLT. SUB: University of Nebraska System
REVIEWED BY: Joe Massey	DATE: 4/29/2025	PHONE: (402) 471-4181
COMMENTS: No basis to disagree with the University of Nebraska System's assessment of no fiscal impact from LB 660 AM 1008.		

LB ⁽¹⁾0660 **Adopt the Secure Drone Purchasing Act**
AM1008

FISCAL NOTE

State Agency OR Political Subdivision Name:⁽²⁾ University of Nebraska System
Prepared by:⁽³⁾ Anne Barnes Date Prepared:⁽⁴⁾ 04/22/2025 Phone:⁽⁵⁾ (402) 472-2191

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2025 - 26		FY 2026 - 27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
CASH FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
FEDERAL FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
OTHER FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

Explanation of Estimate:

Unknown Fiscal Impact

LB660, as amended by AM 1008, would create the Secure DronePurchasing Act, which would require state agencies after January 1, 2027 to purchase or acquire only drones listed on the federally approved #Blue UAS# list or asecure drone list maintained by the Nebraska Department of Transportation's Division of Aeronautics in consultation with public safety, cybersecurity, and state technology experts. The University of Nebraska recognizes the importance of supporting national security goals and appreciates the opportunity to participate as a consulting partner in the development of the state#ssecure drone list.

For context, it is important to note that the current list of Blue UAS drones represents a narrow group of products that, based on current market pricing and availability, may be significantly more expensive than widely used commercial alternatives. For example, a thermal drone system purchased by the University in 2024 cost approximately \$8,500. A comparable Blue UAS-compliant system#with similar functionality#can cost more than four times that amount. These systems may also be subject to longer lead times and different operationalconstraints, which could affect availability for time-sensitive research or fieldwork.

The proposed secure list maintained by the Division of Aeronautics allows for additional flexibility beyond the federal Blue UAS list, including commercially available systems that meet cybersecurity standards. The cybersecurity standards must be developed based on the associated data security risks of the use of the UAS. This makes the impact of the LB660 manageable and we would anticipate minimal fiscal disruption. If compliance were limited strictly to Blue UAS-approved platforms, there will certainly be increased costs and significant operational delays. Given these variables, the overall fiscal impact of LB660 on theUniversity of Nebraska System is currently unknown. The final effect will depend on the content and scope of the secure drone list developed by the Division in coordination with consulting entities.

AM 1008 further amends the bill with LB 29, which has no fiscal impact on the University of Nebraska.

AM 1008 also amends an updated version of LB 662 into the text. As amended, the University of Nebraska System does no longer anticipates any fiscal impact.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2025 - 26	2026 - 27
	25 - 26	26 - 27	EXPENDITURES	EXPENDITURES
	<u>0</u>	<u>0</u>		
	<u>0</u>	<u>0</u>		
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				

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

2025

LB⁽¹⁾ 660 AM 1008

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Arts Council

Prepared by: ⁽³⁾ Mike Markey Date Prepared: ⁽⁴⁾ 4/17/2025 Phone: ⁽⁵⁾ 402-595-3941

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	_____	_____	_____	_____
CASH FUNDS	_____	(28,370)	_____	(28,370)
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	(28,370)	=====	(28,370)

Explanation of Estimate:

The amended bill would affect a revenue stream for the Arts Council through the 1% for Art Program (sec. 82-317 through 82-329; 85-106 to 85-106.03 and 85-304 to 85-304.03). The revenue that the Arts Council receives through the 1% for Art program is a fee for facilitating the artist selection process, calculated as 5% of the agreed upon 1% project budget, i.e. 1% of the appropriation, less all 1% project expenses (sec. 82-318, 1).

While we have no way of knowing what future construction projects will be eligible for the 1% for Art Program, we can address how the amended bill would affect current 1% projects.

The amended bill, as written, would limit the expenditure per project for works of art (the 1% for Art project budget) to \$300,000. The Arts Council then would receive less revenue for any eligible project where the 1% for Art project budget is more than \$300,000. Currently, we have two such projects. The project budgets are \$697,368 and \$470,036. The Arts Council's fee for each is \$34,868 and \$23,502. With the \$300,000 cap to the project budget, our fees would be re-calculated to 5% of \$300,000, or \$15,000 for each of those two projects for a combined loss of revenue of \$28,370.

Note: The amended bill includes a waiver option that could eliminate all revenue from the program, should the waiver be sought, and approved, for all eligible projects. While we can't know how many, if any, projects might be approved for as waiver, we can say that if a waiver was sought for all current 1% projects, the combined loss of revenue would be \$72,715.

The amended bill would not affect any staff positions.

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 AM 1008

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Department of Administrative Services (DAS) – State Building Division, Task Force for Building Renewal, Materiel Division - Purchasing, and Enterprise

Prepared by: ⁽³⁾ Sarah Skinner Date Prepared: ⁽⁴⁾ 4/17/2025 Phone: ⁽⁵⁾ 402-419-4229

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		See Below		See Below

Explanation of Estimate:

LB 660 AM1008 includes the following bills: LB 660, LB 445, LB 664, LB 29, and LB 662.

Sections 1-19; 27-28; 30 (LB 445) establishes the State Building Construction Alternatives Act to authorize specific state agencies to utilize Construction Manager-General Contractor and Design-Build methods. The bill/amendment outlines the process for each of the methods that could be used, and Dept. of Administrative Services – State Building Division is charged with adopting guidelines for entering into a design-building or construction manager-general contractor contract.

The Construction Alternatives Act would provide other methods for project delivery with the potential to result in cost savings to the state. Design-Build cost savings estimates range from 6-20% over the traditional design-bid-build method. These alternative methods would be used for large, complex, extended projects, or those on a tight schedule to more accurately manage and estimate project costs. Two projects in the past two years have been designed and received cost prohibitive construction bids, requiring re-design and the associated costs, which these methods would be intended to prevent.

Exact savings to DAS-State Building Division and the authorized state agencies cannot be determined but is expected.

Sections 20-24 (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.

On or before January 1, 2026, the Division of Aeronautics of the Nebraska Department of Transportation shall create and maintain a list of devices and vendors that meet certain requirements as outlined in the bill. This list is created in consultation with the Department of Administrative Services - Materiel, the Committee on Pacific Conflict, the NE State Patrol, and the Law Enforcement Drone Association, or an organization that creates and implements best practices and standards of training for the use of law enforcement drones. This list is to be posted on the NDOT website and updated every six months. (2)(a)-(f) further establishes requirements at which drone is not considered a threat to the security of the State, including security audits by state agencies.

Sections 20-24 of LB 660 AM1008 has no fiscal impact to the Department of Administrative Services – Materiel Division - Purchasing.

Section 25 (LB 662) requires all state agencies to submit a federal funding inventory to the office of the Director of Administrative Services (DAS) on or before September 11th of every even-numbered year to include the information specified in subsections (2)(a) – (h).

Section 25 of LB 660 AM1008 has no fiscal impact to the enterprise.

Section 26 (LB 445) increases the construction project threshold requiring a professional consultant from \$50,000 to \$100,000 and allows for inflationary adjustments every four years.

The DAS Task Force for Building Renewal estimates that in the past five years approximately \$209,000 was spent on projects over \$50,000 and under \$100,000 requiring a professional consultant. This is a sample of savings that could be replicated across other agencies' projects where a consultant was required for a project above \$50,000, but the exact savings across all agencies is unknown. Such estimate would approach \$1,250,000 for the past five years (to include DAS-State Building Division, NE Department of Correctional Services, NE Game and Parks Commission, NE Department of Transportation, NE Military Department, among other smaller agencies, and Task Force for Building Renewal). Savings could be seen across various fund types – General, cash, revolving, federal and the Nebraska Capital Construction Fund (NCCF).

As estimated above, Section 26 of LB 660 AM1108 will provide cost savings for DAS-State Building Division and the Task Force for Building Renewal.

Section 29 (LB 445) amends State Building Division duties to provide a report of property leased and available state-owned property upon legislative request and eliminates the monthly reporting time-cost data. There is no fiscal impact to DAS-State Building Division.

Sections 31-34 (LB 445) amends the construction projects subject to one percent for art from an appropriation in excess of \$500,000 to \$1.5M for new construction and from \$250,000 to appropriations in excess of \$500,000 for remodeling. Additionally, it provides for consideration of an art waiver via the construction project committee. No project shall expend more than \$300,000 for works of art.

During FY23-25, one capital construction project of four managed by DAS – State Building Division met the requirements for the 1% art fee totaling \$23,690. If the above thresholds were in place at the time of this project, the estimated 1% for art (including the artwork and fee) would have been \$13,690, a difference and savings of \$10,000 per LB 660 AM1008.

Sections 35-36 (LB 664) amends the Administrative Procedures Act. It requires agencies to allow for public comment and submission relating to proposals or adoptions of rules or regulations electronically or by mail and not require a person wishing to make a submission to travel to any particular location. LB 664 also provides provisions for a venue for filing a petition for declaratory judgment.

Sections 35-36 of LB 660 AM1008 have no fiscal impact to the enterprise.

Sections 37-38 (LB 29) implements a review of all existing and pending rules and regulations beginning on January 2, 2026, and every five years thereafter. The agency head is to designate an individual responsible for the oversight and review and each agency is to submit a detailed report electronically to the Clerk of the Legislature on or before June 30 of the year the review is conducted. The report is to include whether the rule or regulation is essential to the health, safety or welfare of the public; whether the costs outweigh the benefits; whether the agency has a process to measure the effectiveness of the rule or regulation; whether a less restrictive alternative has been considered; and whether the rule or regulation was promulgated as a result of a statutory requirement, federal mandate or court decision. During the review process, agency rulemaking and regulation making shall be suspended.

The requirements of these sections of LB 660 AM1008 can be completed utilizing the existing resources of the Department of Administrative Services and therefore has no fiscal impact.

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.....				

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name: (2) Department of Health and Human Services

Prepared by: (3) John Meals

Date Prepared 4-28-25

Phone: (5) 471-6719

	<u>FY 2025-2026</u>		<u>FY 2026-2027</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$0	\$0	\$0	\$0

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:**LB660 AM1008 Section 25:**

The Financial Services office within DHHS maintains an inventory of existing Grants, grant staff, and Notice of Awards (NOAs). Data points would be added to the inventory to include Maintenance of Efforts (MOEs) and match requirements as detailed in the bill. Any delay in authorization to accept federal funding due to this requirement could compromise the availability of federal funds and place programs within DHHS at risk. The department currently maintains 175 unique grants with nearly 300 active grant numbers due to grants having multiple grant years open at once. Should the operating plans and action reports require a significant increase in resources, DHHS may need additional FTE.

LB660 AM1008 Section 37:

DHHS will absorb, across the five-year review period, the hours needed to complete the requirements of this bill. It is estimated that it would take approximately seven staff to complete the requirements in one year, making the goal of absorbing the requirements across five years challenging but achievable.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:				
POSITION TITLE	NUMBER OF POSITIONS		2025-2026	2026-2027
	26-26	26-27	EXPENDITURES	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital Outlay.....				
Aid.....				
Capital Improvements.....				
TOTAL.....			\$0	\$0

State Agency OR Political Subdivision Name: ⁽²⁾ Board of Geologists

Prepared by: ⁽³⁾ Jean Lais

Date Prepared: ⁽⁴⁾ 4/18/2025

Phone: ⁽⁵⁾ 402-471-3061

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	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
CASH FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FEDERAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
OTHER FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Explanation of Estimate:

The bill and amendments will not have any effect on the State Board of Landscape Architects.

<u>BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE</u>				
<u>Personal Services:</u>				
<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.....				

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska State Historical Society

Prepared by: ⁽³⁾ Daryl Bohac

Date Prepared: ⁽⁴⁾ April 18, 2025

Phone: ⁽⁵⁾ 402-471-6661

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:

With respect to sections 25, 35, and 37 of LB 660 AM 1008, the Agency has determined that the reporting requirements and rules and regulations requirements likely do not impose a significant fiscal impact to the Agency.

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.....				

State Agency OR Political Subdivision Name: ⁽²⁾ State Board of Landscape Architects

Prepared by: ⁽³⁾ Jean Lais

Date Prepared: ⁽⁴⁾ 4/18/2025

Phone: ⁽⁵⁾ 402-471-3061

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>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
CASH FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FEDERAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
OTHER FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Explanation of Estimate:

The bill and amendments will not have any effect on the State Board of Landscape Architects.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE				
Personal Services:				
POSITION TITLE	NUMBER OF POSITIONS		2025-26	2026-27
	<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 AM 1008

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ 031 – Nebraska Military Department

Prepared by: ⁽³⁾ Lauren Hargreaves Date Prepared: ⁽⁴⁾ 04/18/2025 Phone: ⁽⁵⁾ 402-309-8120

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	No Fiscal Impact	No Fiscal Impact	No Fiscal Impact	No Fiscal Impact
CASH FUNDS	No Fiscal Impact	No Fiscal Impact	No Fiscal Impact	No Fiscal Impact
FEDERAL FUNDS	No Fiscal Impact	No Fiscal Impact	No Fiscal Impact	No Fiscal Impact
OTHER FUNDS	No Fiscal Impact	No Fiscal Impact	No Fiscal Impact	No Fiscal Impact
TOTAL FUNDS	No Fiscal Impact	No Fiscal Impact	No Fiscal Impact	No Fiscal Impact

Explanation of Estimate:

No Expected Fiscal Impact for State Fiscal Years ending 2026 and 2027. Possibility of future fiscal impact beyond SFY 2027 for additional administrative efforts and "Stipend" expenditures. Anticipated utility of both General Funds and Federal Funds via Capital Improvements for future projects exceeding \$30m total cost.

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>
			No Fiscal Impact	No Fiscal Impact
			No Fiscal Impact	No Fiscal Impact
Benefits.....			No Fiscal Impact	No Fiscal Impact
Operating.....			No Fiscal Impact	No Fiscal Impact
Travel.....			No Fiscal Impact	No Fiscal Impact
Capital outlay.....			No Fiscal Impact	No Fiscal Impact
Aid.....			No Fiscal Impact	No Fiscal Impact
Capital improvements.....			No Fiscal Impact	No Fiscal Impact
TOTAL.....			No Fiscal Impact	No Fiscal Impact

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Real Estate Commission

Prepared by: ⁽³⁾ Joseph D. Gehrki

Date Prepared: ⁽⁴⁾ 01/15/2025

Phone: ⁽⁵⁾ 402-471-2004

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2025-26		FY 2026-27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	0		0	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Explanation of Estimate:

There will be no fiscal impact.

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.....				

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

2025

LB⁽¹⁾ 660 AM 1008

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Real Property Appraiser Board

Prepared by: ⁽³⁾ Tyler Kohtz Date Prepared: ⁽⁴⁾ April 17, 2025 Phone: ⁽⁵⁾ 402-471-9025

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	<u>18,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u></u>	<u></u>	<u></u>	<u></u>

Explanation of Estimate:

A significant time burden would be placed on the Board's staff to review each rule or regulation, including any pending rule or regulation, to determine if each rule or regulation is essential to the health, safety, or welfare of the public; to determine if the costs of each rule or regulation outweigh the benefits; to identify and report if the agency has a process in place to measure the effectiveness of each rule or regulation; to determine and identify if less restrictive alternative have been considered for each rule or regulation; and to identify and report if each rule or regulation was promulgated as the result of a state statutory requirement, federal mandate, or court decision. As the Board's staff lacks the resources to conduct such review within its standard allocation of time, it is likely that the Board would have to contract with a third party to be responsible for such review. It is estimated that such review would require approximately 80 hours of work for the first report, and 20 hours of work for each report after. At an estimated contract rate of \$225.00 per hour for an individual qualified to conduct such review, the cost to the Board would be approximately \$18,000.00 for the first year, and \$4,500.00 for each report year after.

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.....			<u>18,000</u>	<u>0</u>
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			<u>18,000</u>	<u>0</u>

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

2025

LB⁽¹⁾ 660, AM 1800

FISCAL NOTE

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

Prepared by: ⁽³⁾ Carol Aversman Date Prepared: ⁽⁴⁾ 04/18/2025 Phone: ⁽⁵⁾ 402-471-4545

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	<u>\$120,120</u>	<u></u>	<u>\$337,463</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>\$120,120</u>	<u></u>	<u>\$337,463</u>	<u></u>

Explanation of Estimate:

Section 25 of AM 1800 adds the provision of providing an annual inventory of federal funding received to the Director of Administrative Services on or before September 15 of each even-numbered year. This includes required reporting of federal receipts, federal funds appropriated and the percentage of the Agency's budget that constitutes federal receipts received. This information should be obtainable via either the State of Nebraska's Accounting System (Enterprise One) or from the Agency's Grants Management System.

Additionally, Section 25 requires the reporting of any requirements for a state match and a copy of any agreement entered into with any federal entity to receive federal funds, as well as the details regarding the obligations imposed on the State Agency, the monetary match requirements, the number of full-time and part-time positions obligated by the agreement, a description of any other resources and obligations incurred by the agency, and the citation to the applicable federal law, regulation, or grant provision. Also required is (1) an operating plan in the event that federal funds are reduced by 10% or more from the preceding fiscal year, (2) a detailed description of the actions or results that were promised by the agency in order to receive federal funds, (3) the state or federal statutory objective that is being met by the expenditures of federal funds, and (4) a detailed list of federal funds that have a foreseeable or potential end date, the date, and the schedule of expenditures of federal funds expected until that date.

Section 37 of AM 1800 adds the provision that beginning January 1, 2026, a review will be required to be conducted by State Agencies of all existing and pending rules and regulations. Such review shall occur every five years thereafter. Also required is the submission to the Clerk of the Legislature on or before June 30 of the year the review is conducted, a detailed report of the Agency's findings along with any supporting documentation. Such report shall indicate whether (1) the rule or regulation is essential to the health, safety, or welfare of the public, (2) the costs of the rule or regulation outweigh the benefits, (3) the Agency has a process in place to measure the effectiveness of the rule or regulation, (4) A less restrictive alternative has been considered, (5) the rule or regulation was promulgated as the result of a state statutory requirement, a federal mandate or a court decision.

In order to adequately assess, compile data, and create the required reporting needed for Section 25 of the Amendment, the Agency estimates that it will need an additional Federal Aid Administrator II position beginning January 1, 2026. Note that in 2024, the Patrol entered into approximately 130-140 grants (including agreements with federal agencies, task forces, local entities, and other state agencies). In order to comply with the provisions of Section 37 of the Amendment, the Agency estimates that it will need an additional Attorney III position beginning January 1, 2026. Additional costs included in the fiscal note are operating expenses (office supplies, OCIO Costs, computer lease, increased accounting assessment fees), and capital outlays (cubicle, chair, computer monitors) that would be needed for this employee. DAS State Accounting has indicated that some of the receipt or expenditure data could possibly be gathered by them, and that they would increase the Agency's accounting assessment fees as a result of these additional duties. The Patrol has not been provided an estimate of those costs. In order to build in a place holder for these costs the Patrol estimated a 1-2% increase in its assessment for FY 26 and FY 27 (\$2,000 per fiscal year). This could be more or less, as the amount is unknown at this time.

Note that the State Patrol previously submitted a fiscal note on the unamended version of LB 660 for \$103,518 for the replacement of drones. Those sections of the bill were not changed by the amendment, and hence, those amounts also continue to be needed as a result of the bill. These amounts are reflected in this fiscal note as a Capital outlay in FY 26-27.

The bill requires that 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>
Federal Aid Administrator II	1	1	\$24,540	\$50,674
Attorney III	1	1	\$56,678	\$117,039
Benefits.....			\$28,426	\$58,700
Operating.....			\$4,676	\$7,532
Travel.....				
Capital outlay.....			\$5,800	\$103,518
Aid.....				
Capital improvements.....				
TOTAL.....			\$120,120	\$337,463

LB⁽¹⁾ 660 AM1008

FISCAL NOTE

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

Prepared by: ⁽³⁾ Lisa Stanton

Date Prepared: ⁽⁴⁾ 04/17/2025

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 because of LB660 as amended by AM1008.

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.....				