PREPARED BY: DATE PREPARED: PHONE:

Scott Danigole February 20, 2014 471-0055

**LB 890** 

Revision: 01

## FISCAL NO

LEGISLATIVE FISCAL ANALYST ESTIMATE

Corrected fiscal note

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)								
	FY 2014-15 FY 2015-16							
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE				
GENERAL FUNDS								
CASH FUNDS	1,275,000		1,275,000					
FEDERAL FUNDS								
OTHER FUNDS								
TOTAL FUNDS	1,275,000		1,275,000					

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

LB 890 changes provisions related to procedures for acquiring private property for public use.

Section 3 requires that on and after January 1, 2015, any agency that proposes to acquire private property for a public purpose shall:

- Include the pamphlet that is developed by the Attorney General describing the private property owner's rights relating to the matter; and,
- Make it clear that the notice is for negotiations for acquisition of the property and the compensation to be paid by the agency for such acquisition, and eminent domain will not be an issue unless good faith negotiations fail.

The original fiscal note was in error due to a misreading by the fiscal office. That note discounted the Department of Roads (DOR) estimate. The exemption for DOR found in section 25-2501 is removed in the bill's provisions. The exemption that is subsequently inserted is for subsection 2 of section 25-2504. That being the case, DOR will be required to provide a notice to every property owner from whom a property was needed and prohibit DOR from beginning negotiations for at least 45 days. DOR estimates the cost of delaying projects 45 days to be \$1,275,000. There is no basis to disagree with this estimate.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES						
LB: 890 (revised) AM: AGENCY/POLT. SUB: Dept. of Roads						
REVIEWED BY: Gary Bush DATE: February 18, 2014 PHONE: 471-4161						
COMMENTS: No basis to disagree with the department's estimate of impact. Estimate appears to be reasonable.						

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES							
LB: 890 AM: AGENCY/POLT. SUB: Dept. of Administrative Services							
REVIEWED B	REVIEWED BY: Gary Bush DATE: January 24, 2014 PHONE: 471-4161						
COMMENTS: Agree with the Agency's estimate of impact.							

State Agency Estimate							
Revenue				Date Due LFA:	1/23/2014		
	Date Prepared:	1/23/2014		Phone: 471-5896			
FY 2014-2015 FY 2015-2016 FY 2016-2017							
<b>Expenditures</b>	Revenue	Expenditures	Revenue	<b>Expenditures</b>	Revenue		
	\$ 0		\$ 0		\$ 0		
	\$ 0		\$ 0		\$ 0		
		Revenue  Date Prepared:  FY 2014-2015  Expenditures  Revenue  \$ 0	Date Prepared: 1/23/2014   FY 2014-2015   FY 2015   Expenditures   S 0	Date Prepared: 1/23/2014     FY 2014-2015   FY 2015-2016     Expenditures   Revenue   S 0   S	Revenue         Date Due LFA:           Date Prepared: 1/23/2014 Phone: 471-5896           FY 2014-2015         FY 2015-2016         FY 20           Expenditures         Revenue         Expenditures           \$ 0         \$ 0         \$ 0		

LB 890 changes procedures, and exemptions from those procedures, used by public entities or utility companies when condemning property for public use under their eminent domain powers.

It is estimated that this bill would have no impact on General Fund revenues.

It is estimated that there would be no costs to the Department to implement this bill.

Major Objects of Expenditure								
Class Code	Classification Title	14-15 <u>FTE</u>	15-16 <u>FTE</u>	16-17 <u>FTE</u>	14-15 Expenditures	15-16 Expenditures	16-17 <u>Expenditures</u>	
Benefits								
Operating Costs								

$LB^{(1)}$	890							FISCAL NOTE		
State Agency OR Political Subdivision Name: (2)					Attorney General					
Prepared by: (3) Lynne Fritz			Date	e Prepared: (4)	1-17-14	Phone: (5)	471-2687			
		F	STIMATE PRO	OVIDED BY	STATE AGEN	CY OR POLI	TICAL SUBDIVIS	SION		
			EXPENDITUR	EY 2014-15 ES	REVENUE	EXPEN	FY 2015 VDITURES	REVENUE		
GENE	RAL FUN	DS	<u> </u>							
CASH	FUNDS									
FEDE	RAL FUN	DS				<u> </u>				
OTHE	R FUNDS	3								
ТОТА	L FUNDS	3				r 1 <del></del>				
Evnlan	ation of E	`stimate:		===						
No Fis	cal Impa	ıct.	*							
Person	al Service	·s·	BRI	EAKDOWN	BY MAJOR O	BJECTS OF E	XPENDITURE			
T CTGGH		TION TIT	LE	NUMBER ( 14-15	OF POSITION <u>15-16</u>		014-15 NDITURES	2015-16 EXPENDITURES		
Benefit	s			2		/ <u></u>				
Operat	ing			ti.						
Travel			******	ŧi						
Capita	l outlay		************	Ni.				:=		
<b>Aid</b>			*****							
Capita	l improve	ments								
TO	TAL			61		7				

\$1,275,000

\$1,275,000

\$1,275,000

\$1,275,000

Travel.....

Capital outlay.....

Aid......
Capital improvements.....

TOTAL.....

LB(1) 890 REVIS		Nebraska Dept	Nebraska Dept of Roads				
Prepared by: (3) Becky	Fleming	Date Prepared: (4)	2/10/14	Phone: (5)	(402) 479 4692		
E	STIMATE PROVIDE	ED BY STATE AGENC	Y OR POLITICA	— .L SUBDIVISIO			
	EXPENDITURES	014-15 <u>REVENUE</u>	<u>EXPENDI</u>	<u>FY 2015</u> TURES	REVENUE		
GENERAL FUNDS							
CASH FUNDS	\$1,275,000		\$1,275	,000			
FEDERAL FUNDS							
OTHER FUNDS							
TOTAL FUNDS	\$1,275,000		\$1,275	,000			
removes NDOR's exemproperty was needed and If this legislation passes cause an increase in the years. For future project.	nd prohibit NDOR fi s, this would delay e costs of projects	rom beginning negoti NDOR's acquisition of that are currently sch	iations for at lea of land purchase neduled for cons	st 45 days af es for road pro struction withi	ter giving notice.  Djects. This could n the next two		
The impact to NDOR w Percentage of the delay Average costs of project Total costs of project by Apply 5% inflation for d The fiscal impact to ND	y of a construction sets that require pure by percentage delayed elaying:	chase of right of way: ed:	\$207.0 \$207	5 days = 12.3 ) million X 12.33% = \$ 5 X 5% = \$1.2	\$25.5 million		
Personal Services:	BREAKDO	OWN BY MAJOR OBJ	ECTS OF EXPEN	DITURE			
POSITION TIT		MBER OF POSITIONS 14-15 15-16	S 2014- EXPENDI	-	2015-16 EXPENDITURES		
Benefits							

**FISCAL LB**<sup>(1)</sup> 890 **NOTE** Administrative Services - State Building Division State Agency OR Political Subdivision Name: (2) Prepared by: (3) Jeff Jensen Date Prepared: (4) 01/20/2014 Phone: (5) 402-471-0422 ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION FY 2014-15 FY 2015-16 REVENUE **EXPENDITURES EXPENDITURES REVENUE GENERAL FUNDS** 0 0 0 0 **CASH FUNDS** 0 0 0 0 FEDERAL FUNDS 0 0 0 0 OTHER FUNDS 0 0 0 0 0 0 0 0 TOTAL FUNDS

## **Explanation of Estimate:**

LB890 provides that on or after January 1, 2015, the notice of a proposed acquisition given to each owner of property over or across which any right or interest is to be acquired shall include a pamphlet to be developed by the Attorney General describing a private property owner's rights and shall make it clear that the notice is for negotiations for acquisition of the property and the compensation to be paid by the agency for such acquisition.

LB 890 has no determinable impact on the State Building Division or the properties overseen by us.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE								
Personal Services:								
POSITION TITLE	NUMBER O	F POSITIONS 15-16	2014-15 EXPENDITURES	2015-16 EXPENDITURES				
Benefits								
Operating	• • •							
Travel	•••							
Capital outlay								
Aid								
Capital improvements								
TOTAL								