

Revised based on amendments adopted through 3/25/2015

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2015-16		FY 2016-17	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	See below	See below		
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below	See below		

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

LB56 would require the Director of Administrative Services to cause a survey of the property which comprises the Norfolk Regional Center. The bill further provides that the Director of Administrative Services, in consultation with the Department of Health and Human Services, is to determine what portion of the surveyed property is not needed for state purposes. Notwithstanding the provisions of sections 72-811 to 72-818, the Director of Administrative Services is subsequently to submit a report to the Legislature and the Governor and request authorization to give the Northeast Community College Area the right of first refusal to purchase the portion of the property not needed for state purposes at its appraised value for the purpose of development of the Northeast Community College Technology Park. Approval of the Legislature (or Executive Board if the Legislature is not in session) and the Governor would be required to give such right of first refusal to the Northeast Community College Area.

Sections 72-811 to 72-818 generally provide for disposal of state buildings or land declared to be vacant or excess to the needs of the state by the Vacant Building and Excess Land Committee. With certain exceptions, proceeds from the sale of such vacant/excess property accrue to the Vacant Building and Excess Land Cash Fund which is authorized (subject to appropriation by the Legislature) to be used to pay for the maintenance of vacant/excess state buildings and land and for expenses related to the disposal of such property. Current law also provides that amounts may be transferred from the Vacant Building and Excess Land Cash Fund to the General Fund at the direction of the Legislature. In the specific instance of Norfolk Regional Center property referenced in LB56, proceeds from the sale of any portion of the property deemed to be in excess of state needs would accrue to the Vacant Building and Excess Land Cash Fund. The level of proceeds that may accrue to the Vacant Building and Excess Land Cash Fund would be dependent upon factors that include (1) a formal determination as to what portion of the Norfolk Regional Center property is not needed for state purposes, (2) a determination of the appraised value of such property, (3) actions of the Legislature and Governor to either approve or disapprove giving a right of first refusal to the Northeast Community College Area to purchase the property at its appraised value, (4) whether the Northeast Area would elect to exercise its right of first refusal if approved, and (5) sale proceeds relating to the property that may be otherwise realized if the Northeast Area were to elect not to exercise a right of first refusal if granted pursuant to item (3) above.

Based upon clarification of comments included in its fiscal note, dated 3/30/2015, the Department of Administrative Services (State Building Division) indicates that a determination of what portion of the Norfolk Regional Center property is not needed for state purposes and a survey of this parcel has recently been completed. The Department indicates that costs relating to LB56, should it be enacted, would include relatively insignificant costs for registration of the right of first refusal if approved by the Legislature and Governor, costs associated with an appraisal of the related property, and costs associated with a second survey of the property should it be deemed necessary. It is estimated that related costs (estimated at \$6,500) could be accommodated within existing cash fund appropriation authority for the Department of Administrative Services – State Building Division.

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

2015

LB⁽¹⁾ 56 AM845 FA34

**FISCAL
NOTE**

State Agency OR Political Subdivision Name: ⁽²⁾ Administrative Services - State Building Division

Prepared by: ⁽³⁾ Jeff Jensen Date Prepared: ⁽⁴⁾ 03/30/15 Phone: ⁽⁵⁾ 471-0422

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2015-16</u>		<u>FY 2016-17</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS (VBEL)	6,500	_____	_____	_____
TOTAL FUNDS	<u>6,500</u>	_____	_____	_____

Explanation of Estimate:

The proposed legislation, LB56 as amended by AM845 and FA34, will require a survey of the Norfolk Regional Center property and a determination as to what portion of the Regional Center is not needed for state purposes. This survey is to be electronically submitted to the Governor and Legislature. The Director of Administrative Services will be required to request authorization to give the Northeast Community College Area the right of first refusal to purchase the portion of the property not needed for state purposes at its appraised value. FA34 struck the phrase "fair market" and inserted "appraised value as determined under Section 72-815(3);" however, this revision is not expected to modify the fiscal impact.

A determination of what portion of the Norfolk Regional Center is "not needed for state purposes," has been made and a survey of this parcel has been recently completed.

This proposed legislation would require that Northeast Community College Area be given a legal right of first refusal on the parcel "not needed for state purposes." The fiscal impact of the proposed legislation as amended by AM845 and FA34 is the registration of the right of refusal on the property, which is expected to be insignificant, and the cost of a second survey should it be determined that the recently completed survey doesn't meet the requirements of the legislation. The cost of the full boundary survey is estimated to be \$6,500.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2015-16</u>	<u>2016-17</u>
	<u>15-16</u>	<u>16-17</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____