

PREPARED BY: Liz Hruska
 DATE PREPARED: February 25, 2015
 PHONE: 471-0053

LB 28

Revision: 00

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	2,000			
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	2,000			

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

This bill requires all new residential, commercial, industrial, educational or medical construction to include radon resistant features beginning on January 1, 2018. A The Radon Resistant Building Code Task Force is established. The task force is required to provide recommendations by December 31, 2016 and it terminates on January 1, 2017.

The cost to the Department of Health and Human Services is for the task force. The estimated cost is \$2,000 CF for travel reimbursement.

DAS indicated the new requirements could apply to the construction of the Central Nebraska Veterans Home. The new requirements would not be in effect until January 1, 2018 and would only apply if the construction occurs after this date.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 28	AM:	AGENCY/POLT. SUB: HHS	
REVIEWED BY: Elton Larson		DATE: 2/3/2015	PHONE: 471-4173
COMMENTS: HHS analysis and estimate of fiscal impact appear reasonable.			

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

2015

LB⁽¹⁾ 28

**FISCAL
NOTE**

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

Prepared by: ⁽³⁾ Jeff Jensen Date Prepared: ⁽⁴⁾ 01/12/15 Phone: ⁽⁵⁾ 402-471-0422

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	_____	_____	2,550,000	_____
TOTAL FUNDS	<u>0</u>	<u>0</u>	<u>2,500,000</u>	<u>0</u>

Explanation of Estimate:

LB28 establishes the Radon Resistant New Construction Act. Starting January 1, 2018, this bill would require all new construction to utilize radon resistant construction methods. While State Building Division projects are mainly focused on deferred repair, the construction of the Central Nebraska Veterans Home (CNVH) would involve new construction, and will likely still be under construction by January 1, 2018. The bill does not differentiate as to whether the new construction starting on January 1, 2018, includes previously initiated projects or only those projects initiated after said date; thus, the CNVH project could be impacted by LB28.

If the CNVH project falls under this legislation, it is estimated that the cost of the additional work to ensure compliance would be \$2,550,000. The increase foundation work could increase the \$17,000,000 projected amount to be spent on the foundation for the CNVH by 15% resulting in the need for addition construction funds. (\$17,000,000 X 15% = \$2,550,000)

This bill could also impact future operation and maintenance expenses beyond this biennium, to power and maintain fans that would be part of the Radon Resistant construction.

This bill would also impact future new construction projects. The cost of compliance will have to be factored into future new construction.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2015-16 EXPENDITURES</u>	<u>2016-17 EXPENDITURES</u>
	<u>15-16</u>	<u>16-17</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	2,550,000	_____
TOTAL.....	_____	_____	<u>2,550,000</u>	_____

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

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

Prepared by: (3) Mike Mason

Date Prepared:(4) 2-2-15

Phone: (5) 471-0676

	<u>FY 2015-2016</u>		<u>FY 2016-2017</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	\$2,000		\$2,000	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$2,000	\$0	\$2,000	\$0

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

Explanation of Estimate:

LB 28 would require all new residential construction in Nebraska to include radon resistant features beginning Jan 1, 2018. It would also create a task force to make recommendations to the Governor and Department of Health and Human Services about rules and regulations requiring residential building codes to include radon resistant new construction (RRNC).

The fiscal impact would be the task force members who serve without compensation but may be reimbursed for their reasonable expenses as provided in sections 81-1174-81-1177.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:	NUMBER OF POSITIONS		2015-2016 EXPENDITURES	2016-2017 EXPENDITURES
	15-16	16-17		
Benefits.....				
Operating.....				
Travel.....			\$2,000	\$2,000
Capital Outlay.....				
Aid.....				
Capital Improvements.....				
TOTAL.....			\$2,000	\$2,000