

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 | See below | | See below | |
| CASH FUNDS | See below | | See below | |
| FEDERAL FUNDS | See below | | See below | |
| OTHER FUNDS | | | | |
| TOTAL FUNDS | | | | |

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

LB 644 recreates the Nebraska Transit and Rail Advisory Council (NTRAC) that was in existence from 1999 to 2005. The recreated Council will terminate on June 30, 2018.

The primary purpose of the Council, as expressed in section 2(2), is to study new technology, funding mechanisms, demographic changes, federal and state relations, service frequency potential, ridership projections, regional and local transportation planning, public transportation system demand, and economic development, community, and environmental benefits associated with interstate, intercity, and commuter passenger rail and other public transportation systems. The study is to focus on changes and factors since the last report was issued in 2003 and be completed by January 1, 2017.

The Department of Roads is given the responsibility to assist the Council with administrative and operational support, conduct studies and research, hold hearings, plus other duties enumerated in section 7.

To get a measure of the potential cost of the new study one can look at what the study completed in 2003 cost. At that time the study cost \$206,000 and was mostly financed with a federal grant (\$200,000) together with private contributions (\$6,000) (This information is taken from a news release at that time). In all likelihood the cost of such a study has increased since 2003 but information is not currently available that would allow a precise cost estimate. The Department of Roads has estimated the study could cost \$325,000 and there is no basis to disagree with this estimate.

Since the availability of federal funds or donations is unknown at this time it is possible that the fund source for the study will have to be either the General Fund or the Department of Road’s cash fund, to be determined by legislative decision. If the Department of Road’s cash fund is used it will reduce the amount of money available for road construction and maintenance.

The Council will have 11 members with 8 members eligible to have their actual and necessary expenses reimbursed for Council related duties. These costs will depend on the number of meetings and the location of the meetings in relation to the member’s residence. A rough estimate would be about \$110 per member per meeting (\$40 for meals and \$70 for mileage) or \$880 per meeting if no overnight stays are involved.

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

2015

LB⁽¹⁾ 644

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Nebraska Dept of Roads

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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 | _____ | _____ | \$325,000 | _____ |
| FEDERAL FUNDS | _____ | _____ | _____ | _____ |
| OTHER FUNDS | _____ | _____ | _____ | _____ |
| TOTAL FUNDS | <u>_____</u> | <u>_____</u> | <u>\$325,000</u> | <u>_____</u> |

Explanation of Estimate:

LB 644 adopts the Nebraska Transit and Rail Advisory Council Act. If this is passed the Department of Roads will have the following duties: administrative support; plan and spec reviews; writing of polices or Rules and Regulations; consultant administration; data collection and analysis; and legislative monitoring. It has been estimated that these duties will take approximately 480 hours of current employee time in three divisions – Traffic, Planning & Project Development, and Rail & Public Transportation. A feasibility study is to be completed by January 1, 2017. The Department of Roads has estimated this to cost approximately \$325,000. The bill creates the Nebraska Transit and Rail Advisory Cash Fund, used to defray expense of the council.

However, this bill does not specify what fund will be used to reimburse the Roads Operation Cash Fund for expenditures.

The Department sees a technical issue with this bill. It is not defined if the Department will be reimbursed for the expenses incurred and if so, from what fund source.

The fiscal impact to the Department is the estimated cost for the feasibility study. Currently the Department does not see the need for any more FTE's but realize that the hours spent of the duties imposed by this bill is hours not spent on the construction and maintenance of the highways.

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..... | _____ | _____ | _____ | \$325,000 |
| Travel..... | _____ | _____ | _____ | _____ |
| Capital outlay..... | _____ | _____ | _____ | _____ |
| Aid..... | _____ | _____ | _____ | _____ |
| Capital improvements..... | _____ | _____ | _____ | _____ |
| TOTAL..... | _____ | _____ | _____ | \$325,000 |