PREPARED BY: DATE PREPARED: PHONE: John Wiemer February 19, 2024 402-471-0051

LB 1095

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)								
FY 2024-25 FY 2025-26								
	EXPENDITURES	REVENUE	EXPENDITURES REVENUE					
GENERAL FUNDS								
CASH FUNDS								
FEDERAL FUNDS								
OTHER FUNDS								
TOTAL FUNDS								

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

LB 1095 would change the definition of motor fuel under the E-15 Access Standard Act to mean all products and fuel commonly or commercially known as gasoline, including ethanol and the various ethanol and gasoline blends. The bill would make changes so that motor fuel storage and dispensing infrastructure would include, but not be limited to, motor fuel storage tanks, motor fuel pumps, and motor fuel dispensers. The bill would make changes to motor fuel sites that qualify as a small retail motor site so that the retail motor fuel site's average annual gasoline gallonage would be 300,000 gallons or less for the most recent three-year period instead of the three-year period beginning on January 1, 2021, and ending on December 31, 2023.

The bill would also add under the Nebraska Biodiesel Tax Credit Act that if the product sold by the taxpayer is a blend of biodiesel and diesel fuel, the tax credit would only apply to the portion of the product that is biodiesel.

The Department of Revenue estimates no impact to General Fund revenues and no cost to it as a result of the bill. There is no basis to disagree with this estimate.

The Department of Agriculture estimates no fiscal impact from the bill. There is no basis to disagree with this estimate.

The Department of Environment and Energy estimates no fiscal impact to it as a result of the bill. There is no basis to disagree with this estimate.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE							
LB: 1095 AM: AGENCY/POLT. SUB: Department of Revenue							
REVIEWED BY: Neil Sullivan DATE: 2/16/2024 PHONE: (402) 471-4179							
COMMENTS: The Department of Revenue assessment of no fiscal impact from LB 1095 appears reasonable.							

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE							
LB: 1095 AM: AGENCY/POLT. SUB: Department of Agriculture							
REVIEWED BY: Neil Sullivan DATE: 2/16/2024 PHONE: (402) 471-4179							
COMMENTS: The Department of Agriculture assessment of no fiscal impact from LB 1095 appears reasonable.							

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE							
LB: 1095	AM:	AGENCY/POLT. SUB: Depart	ment of Environment & Energy				
REVIEWED E	3Y: Neil Sullivan	DATE: 2/16/2024	PHONE: (402) 471-4179				
COMMENTS: The Department of Environment & Energy assessment of no fiscal impact from LB 1095 appears reasonable.							

LB 1095 Fiscal Note 2024

		State Agency	Estimate			
State Agency Name: Department o	f Revenue				Date Due LFO:	· · · · · · · · · · · · · · · · · · ·
Approved by: James R. Kamm		Date Prepared:	02/15/2024		Phone: 471-5896	
	FY 2024	I-202 <u>5</u>	FY 2025	<u>5-2026</u>	FY 2020	6-2027
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue
General Funds		\$ 0		\$ 0		\$ 0
Cash Funds						
Federal Funds						
Other Funds						
Total Funds		\$ 0		\$ 0		\$ 0
					· · · · ·	

LB 1095 changes the motor fuel definition to be all products and fuel commonly or commercially known as gasoline, including ethanol and the various ethanol and gasoline blends. It also changes the definition of motor fuel storage and dispensing infrastructure to include motor fuel storage tanks, motor fuel pumps, and motor fuel dispensers, and removes associated pipes, hoses, nozzles, tubes, lines, fittings, valves, filters, seals, and covers from the definition.

For the small retailer exemption, the bill provides that one way to qualify as a small retail motor fuel site is if the retail motor fuel site's average annual gasoline gallonage was 300,000 gallons or less for the most recent three-year period, instead of the three-year period beginning from January 1, 2021, to December 31, 2023.

For the biodiesel tax credit, LB 1095 clarifies that if the product sold is a blend of biodiesel only the part of the product that is biodiesel is eligible for the tax credit and not the entire blend.

It is estimated that LB 1095 will have no impact on the General Fund revenues.

There will be minimum costs to the Department of Revenue (DOR) to implement this bill.

The operative date for this bill is three months after adjournment.

Major Objects of Expenditure										
Class Code	Classification Title	24-25 <u>FTE</u>	25-26 <u>FTE</u>	26-27 <u>FTE</u>	24-25 Expenditures	25-26 Expenditures	26-27 Expenditures			
	Benefits. Operating Costs.									
Travel										
Capital Improvemen Total	Capital Improvements									

LB (1)	1095						FISCAL NOTE			
State Agency OR Political Subdivision Name: (2)				Nebraska Department of Agriculture						
Prepared by: (3) Ashley Dempsey		Da	te Prepared: ⁽⁴⁾	1/10/2024	Phone: (5)	402-429-2487				
	FSTIMATE PROVI			Y STATE AGEN	NCY OR POLITIC	CAL SUBDIVIS	ION			
		<u>EXPENDITUR</u>	FY 2024-2. ES	<u>5</u> REVENUE	EXPENDI	<u>FY 2025</u> TURES	<u>-26</u> <u>REVENUE</u>			
GENER	RAL FUNI	•								
CASH I										
	AL FUNI				-					
			-		_					
	R FUNDS				-					
TOTAL	L FUNDS									
Explana	ation of Es	stimate:								
No fice	al impac	•								
	•									
		BREAKD	OWN BY N	AJOR OBJECT	TS OF EXPENDIT	ΓURE				
Persona	al Services									
	POSITI	ON TITLE	NUMBER <u>24-25</u>	OF POSITION <u>25-26</u>	S 2024- <u>EXPENDI</u>		2025-26 EXPENDITURES			
				<u>== = = = = = = = = = = = = = = = = = =</u>						
Benefit	s									
Operati	ing									
Travel.										
Capital	outlay									
Aid										
Capital	improven	nents	•							
TO	TAL									

LB (1)	1095								FISCAL NOTE
State Ag	gency OR P	olitical Subdivision	Name: ⁽²⁾	epartm)	ent of En	vironme	nt and Er	nergy	
Prepare	ed by: ⁽³⁾	Kevin Stoner		Date Pr	epared: ⁽⁴⁾	January	11, 2024	Phone: (5)	402 471-2186
		ESTIMAT	E PROVIDE	D BY ST	ATE AGEN	NCY OR P	OLITICAL	L SUBDIVIS	SION
			FY 202	24-25				FY 2025	-26
		EXPEND			<u>EVENUE</u>	EX	PENDITU		REVENUE
GENE	RAL FUN	os							
CASH	FUNDS								
FEDE	RAL FUNI	os							
	R FUNDS					_			
	L FUNDS					_			
						_			
_	ation of E							D: !!	el Tax Credit Act.
Person	al Services		EAKDOWN	BY MAJO	OR OBJECT	rs of ex	PENDITU	<u>RE</u>	
		ON TITLE		BER OF 1 -25	POSITION <u>25-26</u>		2024-25 XPENDITU		2025-26 EXPENDITURES
Benefit	s								
Operat	ing					_			
Travel			• • • • • • • • • • • • • • • • • • • •			_			
Capital	outlay								
-	•	nents				_			
ТО	TAL								