

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2014-15		FY 2015-16	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	3,000			
CASH FUNDS	2,040			
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	5,040			

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

LB 1100 creates the Public Power Task Force.

Section 2 creates the task force and requires it to study if and how the public power entities should be structured and modernized. A listing of certain items to be examined in the study is provided. At the conclusion of its study, the task force shall submit a report with recommendations for any legislation to the Governor and the Clerk of the Legislature no later than December 1, 2014.

Section 3 provides for membership on the task force.

Section 4 requires the task force to terminate on December 21, 2014.

The Power Review Board (PRB) estimates travel related costs to attend meetings outside of Lincoln to be \$2,040. This estimate appears to be reasonable.

The State Energy Office estimates \$3,000 in travel related costs to attend meetings outside of Lincoln. This estimate appears to be reasonable. Since these travel costs are beyond current duties assigned to the Energy Office, the cost is included in the table above. The Energy Office is funded with a mixture of Cash and Federal Funds. Since the current budget did not anticipate this expenditure, the Energy Office rightly assigns the travel costs to General Funds.

The Energy Office has also provided an estimate for the Director's time to participate in this task force. Since the Director's salary is currently being paid, there is no need to provide additional salary and benefit costs. The duty of participation in the task force does not require a salary increase. Task force participation is looked upon as "other duties" that are being assigned to the position. For this reason, the salary and benefit estimate is not included in the table above.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 1100	AM:	AGENCY/POLT. SUB: Nebraska Energy Office	
REVIEWED BY: Cindy Miserez		DATE: 02/03/2014	PHONE: 402-471-4174
COMMENTS: The fiscal analysis provided by the Nebraska Energy Office for LB1100 appears reasonable.			

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 1100	AM:	AGENCY/POLT. SUB: Nebraska Power Review Board	
REVIEWED BY: Cindy Miserez		DATE: 01/30/2014	PHONE: 402-471-4174
COMMENTS: The Nebraska Power Review Board's analysis of the fiscal impact of LB1100 appears reasonable based on assumption of the frequency and location of meetings.			

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 1100	AM:	AGENCY/POLT. SUB: Nebraska Department of Economic Development	
REVIEWED BY: Cindy Miserez		DATE: 01/29/2014	PHONE: 402-471-4174
COMMENTS: The Nebraska Department of Economic Development identifies the need for staff time for one appointee to attend an undetermined number of meetings and expects that cost to be minimal. Location of the meetings may result in travel expenditures for the agency.			

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 1100	AM:	AGENCY/POLT. SUB: University of Nebraska	
REVIEWED BY: Cindy Miserez		DATE: 01/27/2014	PHONE: 402-471-4174
COMMENTS: I concur with the University of Nebraska's conclusion of no fiscal impact for LB1100.			

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

2014

LB⁽¹⁾ 1100

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Power Review Board

Prepared by: ⁽³⁾ Tim Texel

Date Prepared: ⁽⁴⁾ Jan. 29, 2014

Phone: ⁽⁵⁾ 402-471-2301

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2014-15</u>		<u>FY 2015-16</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	\$2,040	-0-	-0-	-0-
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>\$2,040</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>

Explanation of Estimate:

The Power Review Board could have some travel costs associated with the Board's representative on the Public Power Task Force created by LB 1100. There are many unknown variables making an accurate estimate difficult. If the Governor would appoint a Board member living far away from the meeting locations, the Board could incur more significant expenses. If the Governor appointed the Board's Executive Director and General Counsel and the Task Force meetings were held primarily in Lincoln or via conference call, the fiscal impact on the Board would be nominal.

The Board's cost estimate assumes that the Task Force would hold some meetings in Lincoln, and hold other meetings in a more central statewide location such as Kearney. We also assume the Task Force would hold perhaps ten face-to-face meetings. It costs approximately \$89.72 for the Board's Executive Director and General Counsel to use a State vehicle to travel from Lincoln to Kearney. The Board would be able to absorb these travel costs in the agency's current budget. However, if a Board member from Omaha were to attend the meetings, the same trip would cost approximately \$215 for round-trip mileage (383 miles) plus a \$60.00 per diem, for a total of \$275. If five meetings were held in Kearney, the Board would incur approximately \$1,375 in expenses. If five additional meetings were held in or near Lincoln, that would be approximately \$73 in round-trip mileage per meeting (130 miles) plus a \$60 per diem, for a total of \$133 per meeting. For five such trips, the total would be \$665. Using these assumptions, the Board would incur in the vicinity of \$1,440 in travel and \$600 in per diems for an estimated total of approximately \$2,040. If the Board's member from Grand Island would be appointed to the Task Force, the costs would be approximately the same. The travel costs to Kearney would be less, but the travel costs to Lincoln would be more, which evens out the cost. If more than ten face-to-face meetings were held, the Board believes it could absorb the additional travel and per diem costs using its existing budget.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2014-15</u>	<u>2015-16</u>
	<u>14-15</u>	<u>15-16</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Per Diems	-0-	-0-	\$600	-0-
Benefits.....				
Operating.....				-0-
Travel.....			\$1,440	-0-
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			\$2,040	-0-

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2014

LB⁽¹⁾ 1100

**FISCAL
NOTE**

State Agency OR Political Subdivision Name: ⁽²⁾ University of Nebraska

Prepared by: ⁽³⁾ Michael Justus Date Prepared: ⁽⁴⁾ January 23, 2014 Phone: ⁽⁵⁾ 402-472-2191

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2014-15</u>		<u>FY 2015-16</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

LB 1100 requires University participation on a task force, but had no fiscal impact.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2014-15</u>	<u>2015-16</u>
	<u>14-15</u>	<u>15-16</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....			_____	_____
Operating.....			_____	_____
Travel.....			_____	_____
Capital outlay.....			_____	_____
Aid.....			_____	_____
Capital improvements.....			_____	_____
TOTAL.....			_____	_____

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

2014

LB⁽¹⁾ 1100

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Nebraska Energy Office

Prepared by: ⁽³⁾ Danielle Jensen

Date Prepared: ⁽⁴⁾ 1/24/1014

Phone: ⁽⁵⁾ 471-3360

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2014-15</u>		<u>FY 2015-16</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$9127.00			
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u>\$9127.00</u>			

Explanation of Estimate:

LB 1100 calls for the Governor to appoint a representative of the State Energy Office to serve on the Public Power Task Force. The bill does not specify and the Energy Office is not assuming responsibility for the performance of administrative and budgetary activities. The bill states the task force may meet as often as necessary but does not specify the number of meetings or the location of the meetings.

The Energy Office does not have uncommitted fiscal resources or appropriation to carry out the duties described in section 2. Performance of the work necessary for the Public Power Task Force to achieve the bills stated objectives would require significant time by State Energy Office Director. Based on the scope of work identified, the Energy Office estimates that it would require approximately 110 hours dedicated time, including research, planning, and analysis necessary to support the effort. Staff costs for this additional duty is approximately \$6,127.00 including benefits.

It is estimated there would also be costs associated for travel to the unidentified number and location of the meetings. Actual costs will depend upon the number of meetings and locations. The Energy Office estimate assumes that up to \$3,000 in travel expenses could occur. The Energy Office assumes travel expenses to task force meetings are to be reimbursed by resources appropriated under passage of this bill. The Office is assuming ten meetings will be held. Travel expense estimated as:

10 meetings X \$300.00 (Cost of TSB rental car) = \$3,000.00

The Energy Office is not assuming the costs to retain outside contract resources to perform the work required by this task force. Should the task force determine contractors will be retained; the Energy Office will require additional appropriations to share in this expense.

The Energy Office receives up to \$300,000 state cash funds pursuant to section 57-705, the Severance Tax Fund for administration found in 81-1601 to 81-1607 of the Nebraska Revised Statutes. These funds are already appropriated to carry out specific duties of the Office. Federal funds received by the Energy Office cannot be used to finance this activity.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2014-15</u>	<u>2015-16</u>
	<u>14-15</u>	<u>15-16</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Director	1		5156.80	
Benefits.....			970.20	
Operating.....				
Travel.....			3000.00	
Capital outlay.....				

Aid.....		
Capital improvements.....		
TOTAL.....	\$9127.00	