

PREPARED BY: Scott Danigole  
 DATE PREPARED: January 31, 2014  
 PHONE: 471-0055

**LB 1115**

Revision: 00

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2014-15</b>		<b>FY 2015-16</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	202,000			
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	202,000			

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

LB 1115 states the Legislature's intent to appropriate \$200,000 to the Power Review Board from cash funds for a study of state, regional, and national transmission infrastructure and policy for future needs.

The Power Review Board assumes that the \$200,000 appropriation would be used to hire consultants. Beyond that cost, the PRB estimates \$2,000 for related travel expenses for the working group identified in section 4 of the bill. This estimate appears to be reasonable.

<b>ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSES</b>			
LB: 1115	AM:	AGENCY/POLT. SUB: Nebraska Power Review Board	
REVIEWED BY: Cindy Miserez		DATE: 01/31/2014	PHONE: <a href="tel:402-471-4174">402-471-4174</a>
COMMENTS: LB1115 contains intent language for an appropriation of \$200,000 in cash funds to the Nebraska Power Review Board. The Nebraska Power Review Board shows the expenditure on their fiscal note as General Funds. I believe the intent is that this expenditure should be on the cash fund line. Cash fund revenue would be generated by the fee assessed to power companies based on actual appropriation made as a result of passage of LB1115. The report is due December 15, 2014 and the bill contains the emergency clause. The Nebraska Power Review Board does not appear to make an estimate of an hourly cost for the consultant or the hours needed to produce the report by the due date.			

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

2014

LB<sup>(1)</sup> 1115

FISCAL NOTE

State Agency OR Political Subdivision Name: <sup>(2)</sup>

Power Review Board

Prepared by: <sup>(3)</sup> Tim Texel

Date Prepared: <sup>(4)</sup> Jan. 30, 2014

Phone: <sup>(5)</sup> 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	\$200,000	-0-	-0-	-0-
CASH FUNDS	\$2,000	-0-	-0-	-0-
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u>\$202,000</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>

Explanation of Estimate:

LB 1115 assigns the Power Review Board the responsibility to issue a request for proposals to retain the services of a consultant to coordinate the activities of a working group that would study the transmission issues set out in the bill. The bill does not specify whether the Board members would be responsible for hiring the consultant or directly participate in the hiring process, or if the members of the working group would perform that task. For purposes of this fiscal note, the Board assumes that the Board members would handle or participate in the hiring of the consultant. If the Board's executive director and general counsel participates in the process to hire the consultant and then in the working group's activities, the Board believes those travel costs and incidental expenses could be absorbed by the agency's current budget. If the Board members participate in the process to hire the consultant and approve the study after completion, the Board members would be entitled to per diem payments, which must come out of the agency's personal services limitation. In that case, the Board would need additional funding for the per diems. The Board also assumes that the per diems would not be taken out of the \$200,000 allocated for hiring the consultant and related expenses.

Power Review Board members receive \$60 per diem for each day they are engaged in official activities related to their capacity as Board members. If all five Board members were to review the Request for Proposals, participate in responding to questions submitted by potential applicants, review resumes and applications submitted for the consultant position, participate in interviews, attend the first meeting of the working group, and approve the study prior to presentation to the Legislature's Executive Board, the Board estimates it could potentially incur up to \$2,000 in per diem expenses.

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-	\$2,000	-0-
Benefits.....				
Operating.....			\$200,000	-0-
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			<u>\$202,000</u>	<u>-0-</u>