

PREPARED BY: Clinton Verner  
 DATE PREPARED: January 19, 2023  
 PHONE: 402-471-0056

# LB 336

Revision: 00

# FISCAL NOTE

## LEGISLATIVE FISCAL ANALYST ESTIMATE

| <b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates) |                   |         |                   |         |
|---|-------------------|---------|-------------------|---------|
|   | <b>FY 2023-24</b> |         | <b>FY 2024-25</b> |         |
|   | 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.

LB336 would terminate the Nebraska Hemp Commission and create the Nebraska Hemp Advisory Board. The Hemp Promotion Fund fees are struck. Expenditures from the Nebraska Hemp Advisory Board may be made from the Hemp Promotion Fund or from the Nebraska Hemp Program Fund to defray costs of meeting. Balance of the Hemp Promotion Fund stands at \$9,781.73 as of 12/31/2022.

Historic cash fund appropriation for the Nebraska Hemp Commission has been \$10,000 per fiscal year. An increase in the cash fund appropriation of this amount to the Department of Agriculture is offset by a reduction in cash fund appropriation to the Hemp Commission, which is terminated. Net impact is zero.

|  |                 |   |  |
|--|-----------------|---|--|
| ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE                              |                 |   |  |
| LB: 336  | AM:             | AGENCY/POLT. SUB: Department of Agriculture |  |
| REVIEWED BY: Jacob Leaver  | DATE: 1/19/2023 | PHONE: (402) 471-4173                       |  |
| COMMENTS: Concur with the Department of Agriculture's estimated fiscal impact to the agency as a result of LB 336. |                 |   |  |

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

**2023**

**LB<sup>(1)</sup> 336**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Department of Agriculture

Prepared by: <sup>(3)</sup> Ashley Dempsey Date Prepared: <sup>(4)</sup> 1/12/23 Phone: <sup>(5)</sup> 402-429-2487

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

|               | <u>FY 2023-24</u>   |                | <u>FY 2024-25</u>   |                |
|---------------|---------------------|----------------|---------------------|----------------|
|               | <u>EXPENDITURES</u> | <u>REVENUE</u> | <u>EXPENDITURES</u> | <u>REVENUE</u> |
| GENERAL FUNDS | _____               | _____          | _____               | _____          |
| CASH FUNDS    | \$10,000            | _____          | \$10,000            | _____          |
| FEDERAL FUNDS | _____               | _____          | _____               | _____          |
| OTHER FUNDS   | _____               | _____          | _____               | _____          |
| TOTAL FUNDS   | <u>\$10,000</u>     | _____          | <u>\$10,000</u>     | _____          |

**Explanation of Estimate:**

The Nebraska Hemp Commission (Agency 89) will be terminated, and the Nebraska Hemp Advisory Board is created. Section 6 moves the Hemp Promotion Fund to the department. The Board will provide recommendations to the department in accordance with the Nebraska Hemp Farming Act for which the department has final approval on whether recommendations are implemented.

Section 2-519 of the Nebraska Hemp Farming Act is being outright repealed which provided for fees to be collected from first purchasers, with this change there would be no consistent income expected to the Hemp Promotion Fund. As of December 31, 2022, the fund has a cash balance of \$9,781.73, the amount left from the \$10,000 total in transfers from the Noxious Weed Cash Fund.

Section 4(3) states "The board shall meet as often as necessary to carry out its duties. Members of the board shall serve without compensation but shall be reimbursed for their expenses." If money is not available in the Hemp Promotion Fund, then the Nebraska Hemp Program Fund may be used to defray costs.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

| <u>POSITION TITLE</u>     | <u>NUMBER OF POSITIONS</u> |              | <u>2023-24<br/>EXPENDITURES</u> | <u>2024-25<br/>EXPENDITURES</u> |
|---------------------------|----------------------------|--------------|---------------------------------|---------------------------------|
|                           | <u>23-24</u>               | <u>24-25</u> |                                 |                                 |
| _____                     | _____                      | _____        | _____                           | _____                           |
| _____                     | _____                      | _____        | _____                           | _____                           |
| Benefits.....             | _____                      | _____        | _____                           | _____                           |
| Operating.....            | _____                      | _____        | \$5,000                         | \$5,000                         |
| Travel.....               | _____                      | _____        | \$5,000                         | \$5,000                         |
| Capital outlay.....       | _____                      | _____        | _____                           | _____                           |
| Aid.....                  | _____                      | _____        | _____                           | _____                           |
| Capital improvements..... | _____                      | _____        | _____                           | _____                           |
| TOTAL.....                | _____                      | _____        | \$10,000                        | \$10,000                        |