

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2024-25</b>		<b>FY 2025-26</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.**

LB 35 adjusts the nameplate capacity tax for inflation. Beginning January 1, 2025, and each January 1 thereafter, the Department of Revenue shall adjust the tax rate by the percentage change in the Consumer Price Index for All Urban Consumers.

The nameplate capacity tax is imposed on renewable energy generation facilities annually and is currently equal to the total nameplate capacity of the commissioned renewable energy generation facility multiplied by a tax rate of three thousand five hundred eighteen dollars per megawatt. The proceeds of the tax are paid to the county where the renewable energy generation facility is located.

The Department of Revenue estimates the increased amount of nameplate capacity tax distribution to be as follows:

FY25 \$393,000  
 FY26 \$255,000  
 FY27 \$279,000

There is no basis to disagree with this estimate.

The Nebraska Power Review Board estimates no fiscal impact.

The Nebraska Association of County Officials (NACO) estimates the distribution to counties would increase by approximately \$80,000 per year. This assumes a CPI inflationary factor of 3%.

There is no basis to disagree with NACO’s estimate. It should be noted that the annual amount collected as well as the CPI percentage increase will fluctuate from year to year.

Nameplate capacity tax is also counted in other receipts to calculate local system formula resources under TEEOSA, and therefore, there would be an impact on TEEOSA state aid. Such impact is estimated to be minimal.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 35	AM:	AGENCY/POLT. SUB: Nebraska Association of County Officials	
REVIEWED BY: Jacob Leaver	DATE: 7/29/2024	PHONE: (402) 471-4173	
COMMENTS: The Nebraska Association of County Official’s estimated fiscal impact as a result of LB 35 appears reasonable.			

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

**2024**

**LB<sup>(1)</sup> 35 Special Session**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Association of County Officials (NACO)

Prepared by: <sup>(3)</sup> Elaine Menzel Date Prepared: <sup>(4)</sup> 7/26/2024 Phone: <sup>(5)</sup> 402.434.5660

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

	<u>FY 2024-25</u>		<u>FY 2025-26</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>

**Explanation of Estimate:**

Beginning January 1, 2025, and each January thereafter, LB 35 would adjust the nameplate capacity tax for inflation by the percentage change in the Consumer Price Index for all Urban Consumers (CPI-U).

In 2023, county budgets show that county government received \$2,673,709 in nameplate capacity tax revenue which was divided among 36 counties. Notably, 6 counties (Antelope, Dixon, Holt, Saline, Wayne, and Webster) made up 78% of the entire total (\$2,076,533). Assuming the CPI-U increases by 3.0 %, total distributions to counties would increase approximately \$80,000.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25</u>	<u>2025-26</u>
	<u>24-25</u>	<u>25-26</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
<b>TOTAL.....</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>

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

**2024**

**LB<sup>(1)</sup> 35 (Special Session)**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Power Review Board

Prepared by: <sup>(3)</sup> Sara Birkett Date Prepared: <sup>(4)</sup> July 29, 2024 Phone: <sup>(5)</sup> 402-471-2301

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

	<u>FY 2024-25</u>		<u>FY 2025-26</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:

No Fiscal Impact

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25</u> <u>EXPENDITURES</u>	<u>2025-26</u> <u>EXPENDITURES</u>
	<u>24-25</u>	<u>25-26</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

