

Revised to include additional agency responses

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>				
	<b>FY 2024-25</b>		<b>FY 2025-26</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS		\$35,700,000		\$94,000,000
CASH FUNDS		\$25,000,000		\$10,000,000
FEDERAL FUNDS				
OTHER FUNDS		(\$25,000,000)		(\$10,000,000)
<b>TOTAL FUNDS</b>		\$35,700,000		\$94,000,000

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

LB 3 amends fund transfers, permitted uses of funds, fees and the process for setting fees, and credit of investment earnings from cash and revolving funds, subject to certain exceptions. The bill also creates a new cash fund.

Section 1 transfers \$6.5 million from the Health and Human Services Cash Fund to the General Fund in FY2024-25.

Section 2 transfers \$15 million from the Water Recreation Enhancement Fund to the State Park Cash Revolving Fund in FY2024-25.

Section 3 creates the Agrability Cash Fund, administered by the Department of Agriculture for programs for individuals with disabilities to continue in their agricultural profession.

Section 4 amends fees under the Plant Protection and Plant Pest Act. The section sets the rate of fees and allows the director increase or decrease fees annually based on the annual percent change in the Consumer Price Index or as required to pay reasonable direct and indirect costs of administering the act.

Section 5 amends fees under the Nebraska Potato Development Act. The section eliminates the cap on fees and allows the director increase or decrease fees annually based on the annual percent change in the Consumer Price Index or as required to pay reasonable direct and indirect costs of administering the act.

Section 6 amends fees under the Pesticide Act for registered pesticides. The section allows the director increase or decrease fees annually based on the annual percent change in the Consumer Price Index or as required to pay reasonable direct and indirect costs of administering the act.

Section 7 amends fees under the Pesticide Act for distributing pesticides. The section allows the director increase or decrease fees annually based on the annual percent change in the Consumer Price Index or as required to pay reasonable direct and indirect costs of administering the act.

Section 8 amends fees under the Pesticide Act for commercial applicators. The section allows the director increase or decrease fees annually based on the annual percent change in the Consumer Price Index or as required to pay reasonable direct and indirect costs of administering the act.

Section 9 amends fees under the Pesticide Act for aerial pesticide licensees. The section allows the director increase or decrease fees annually based on the annual percent change in the Consumer Price Index or as required to pay reasonable direct and indirect costs of administering the act.

Section 10 amends fees for tractor sellers credited to the Tractor Permit Cash Fund. The section allows the director increase or decrease fees annually based on the annual percent change in the Consumer Price Index or as required to pay reasonable direct and indirect costs of administering section 2-2701 to 2-2711.

Section 11 amends fees under the Nebraska Poultry and Egg Resources Act for commercial eggs sold. The section eliminates the cap on the fee and allows the director increase or decrease fees annually based on the annual percent change in the Consumer Price Index or as required to pay reasonable direct and indirect costs of administering the act.

Section 12 authorizes an annual transfer of \$300,000 from the Nebraska Corn Development, Utilization, and Marketing Fund to the Agrability Cash Fund.

Section 13 amends fees under the Nebraska Milk Act. The section sets fees and allows the director increase or decrease fees annually based on the annual percent change in the Consumer Price Index or as required to pay reasonable direct and indirect costs of administering the act.

Section 14 amends fees under the Agricultural Liming Materials Act. The section sets fees, eliminates caps on fees, and allows the director increase or decrease fees annually based on the annual percent change in the Consumer Price Index or as required to pay reasonable direct and indirect costs of administering the act.

Section 15 clarifies investment earnings to the Aeronautics Cash Fund will be credited to the fund.

Section 16 clarifies investment earnings to the Securities Act Cash Fund will be credited to the fund and transfers \$36 million in FY26, \$32 million in FY27, \$32 million in FY28, and \$32 million in FY29 from the fund to the General Fund.

Section 17 clarifies investment earnings to the County Employees Defined Contribution Retirement Expense Fund will be credited to the fund.

Section 18 clarifies investment earnings to the County Employers Retirement Expense Fund will be credited to the fund.

Section 19 amends fees for a distributor, jobber, or retailer of fireworks. The section eliminates statutory fees and allows the State Fire Marshal set fees.

Section 20 amends fees for fire alarm inspectors. The section eliminates statutory fees and allows the State Fire Marshal set fees.

Section 21 clarifies investment earnings to the State Game Fund will be credited to the fund.

Section 22 clarifies investment earnings to the Game Law Investigation Cash Fund will be credited to the fund.

Section 23 clarifies investment earnings to the Nebraska Aquatic Habitat Fund and the Nebraska Habitat Fund will be credited to the fund.

Section 24 clarifies investment earnings to the Wildlife Conservation Fund will be credited to the fund.

Section 25 amends the Water Recreation Enhancement Fund to clarify investment earnings will not be credited to the fund and to eliminate a transfer to the Jobs and Economic Development Initiative Fund.

Section 26 amends the Court Appointed Special Advocate Fund to clarify investment earnings will not be credited to the fund.

Section 27 clarifies investment earnings to the Department of Insurance Cash Fund will be credited to the fund and transfers \$14 million in FY26, \$11 million in FY27, \$11 million in FY28, and \$11 million in FY29 from the fund to the General Fund.

Section 28 amends the Surface Water Irrigation Infrastructure Fund to clarify investment earnings will not be credited to the fund.

Section 29 amends fees under the Commercial Dog and Cap Operator Inspection Act. The section allows the director increase or decrease fees annually based on the annual percent change in the Consumer Price Index or as required to pay reasonable direct and indirect costs of administering the act.

Section 30 amends fees under the Commercial Feed Act. The section sets fees and allows the director increase or decrease fees annually based on the annual percent change in the Consumer Price Index or as required to pay reasonable direct and indirect costs of administering the act.

Section 31 amends fees under the Livestock Auction Market Act. The section allows the director increase or decrease fees annually based on the annual percent change in the Consumer Price Index or as required to pay reasonable direct and indirect costs of administering the act.

Section 32 amends fees under the Nebraska Livestock Dealer Licensing Act. The section allows the director increase or decrease fees annually based on the annual percent change in the Consumer Price Index or as required to pay reasonable direct and indirect costs of administering the act.

Section 33 amends fees under the Nebraska Meat and Poultry Inspection Law. The section allows the director increase or decrease fees annually based on the annual percent change in the Consumer Price Index or as required to pay reasonable direct and indirect costs of administering the act.

Section 34 amends fees under the Domesticated Cervine Animal Act. The section sets fees and allows the director increase or decrease fees annually based on the annual percent change in the Consumer Price Index or as required to pay reasonable direct and indirect costs of administering the act.

Section 35 amends permitted uses of the Water Resources Cash Fund to allow the fund to be expended in any area that has adopted an integrated management plan for certain actions, including development and implementation of a plan and the purposes of the Resilient Soils and Water Quality Act.

Section 36 amends the Water Sustainability Fund to clarify investment earnings will not be credited to the fund.

Section 37 amends the Petroleum Release Remedial Action Cash Fund to clarify investment earnings will not be credited to the fund.

Section 38 amends the ICF/DD Reimbursement Protection Fund to clarify investment earnings will not be credited to the fund.

Section 39 amends the Drinking Water Administration Fund to clarify investment earnings will not be credited to the fund.

Section 40 amends provisions related to state investment of funds to provide that interest, premium, and other income received from investments will be credited to the General Fund for all cash funds and revolving funds, except as provided by law.

Section 41 clarifies investment earnings to the Tobacco Products Administration Cash Fund will be credited to the fund and transfers \$9 million in FY26, \$9 million in FY27, \$9 million in FY28, and \$9 million in FY29 from the fund to the General Fund.

Section 42 clarifies investment earnings to the Property Tax Credit Cash Fund will be credited to the fund.

Section 43 clarifies investment earnings to the Expense Fund will be credited to the fund.

Section 44 clarifies investment earnings to the Class V School Expense Fund and the Class V School Employees Retirement Fund will be credited to the fund.

Section 45 clarifies investment earnings to the Education Future Fund will be credited to the fund.

Section 46 clarifies investment earnings to the Department of Veterans' Affairs Cash Fund will be credited to the fund.

Section 47 amends fees under the Nebraska Seed Law. The section allows the director increase or decrease fees annually based on the annual percent change in the Consumer Price Index or as required to pay reasonable direct and indirect costs of administering the act.

Section 48 amends fees under the Nebraska Commercial Fertilizer and Soil Conditioner Act for inspection fees. The section sets fees and allows the director increase or decrease fees annually based on the annual percent change in the Consumer Price Index or as required to pay reasonable direct and indirect costs of administering the act.

Section 49 amends fees under the Nebraska Commercial Fertilizer and Soil Conditioner Act for distributor fees. The section allows the director increase or decrease fees annually based on the annual percent change in the Consumer Price Index or as required to pay reasonable direct and indirect costs of administering the act.

Section 50 amends fees under the Nebraska Apiary Act. The section allows the director increase or decrease fees annually based on the annual percent change in the Consumer Price Index or as required to pay reasonable direct and indirect costs of administering the act.

Section 51 amends fees under the Pure Food Act for food establishments, vending machine operators, food processing plants, and salvage operators. The section sets fees and allows the director increase or decrease fees annually based on the annual percent change in the Consumer Price Index or as required to pay reasonable direct and indirect costs of administering the act.

Section 52 eliminates a penalty for late submission of plans to the State Fire Marshal.

Section 53 eliminates statutory caps on certain fees assessed by the State Fire Marshal, including fees for inspection of property, providing investigation reports, and reviewing plans to determine compliance, and allows the State Fire Marshal to set fees.

Section 54 eliminates statutory caps on fees for natural gas meters and allows the State Fire Marshal to set fees.

Section 55 eliminates statutory reference to specific fees for private fire departments and industrial fire brigades.

Section 56 eliminates caps on fees for water-based fire protection system contractors, and allows the State Fire Marshal to set fees.

Section 57 eliminates requirements to set fees by rule and regulation for the Boiler Inspection Act.

Section 58 and 59 eliminate requirements to set fees by rule and regulation for the Nebraska Amusement Ride Act.

Section 60 eliminates public hearing requirements for fee schedules under the Conveyance Safety Act.

Section 61 amends responsibilities of the information management services administrator to provide for a system of charges for services rendered by the information management services division or the Nebraska Information Technology Commission and amends the permitted uses of the Information Management Revolving Fund to allow for expenses for the operation of the Nebraska Information Technology Commission.

Section 62 amends the Youth Outdoor Education Innovation Fund to clarify investment earnings will not be credited to the fund.

Section 63 amends the Rural Workforce Housing Investment Fund to clarify investment earnings will not be credited to the fund.

Section 64 amends the Middle Income Workforce Housing Investment Fund to clarify investment earnings will not be credited to the fund.

Section 65 amends the Construction Administration Fund to clarify investment earnings will not be credited to the fund.

Section 66 clarifies investment earnings to the Nebraska Environmental Endowment Fund will be credited to the fund.

Section 67 clarifies investment earnings to the Victim's Compensation Fund will be credited to the fund.

Section 68 amends provisions related to the Cash Reserve Fund to transfer \$25 million in FY25 and \$10 million in FY26 from the fund to the Governor's Emergency Cash Fund and to transfer \$200 million in FY27 from the fund to the General Fund.

Section 69 clarifies investment earnings to the State Employees Defined Contribution Retirement Expense Fund and the State Employees Cash Balance Retirement Expense Fund will be credited to the fund.

Section 70 clarifies investment earnings to the State Employer Retirement Expense Fund will be credited to the fund.

Section 71 clarifies investment earnings to the Deferred Compensation Expense Fund will be credited to the fund.

Section 72 amends the Tuition Recovery Cash Fund to clarify investment earnings will not be credited to the fund.

Section 73 clarifies investment earnings to the Nebraska Opportunity Grant Fund will be credited to the fund.

Section 74 clarifies investment earnings to the Excellence in Teaching Fund will be credited to the fund.

Section 75 clarifies investment earnings to the Door to College Scholarship Fund will be credited to the fund.

Section 76 amends the Universal Services Fund to clarify investment earnings remaining after the transfer to the 211 Cash Fund, will not be credited to the fund.

Section 77 amends fees under the Weights and Measures Act for scales, length measure devices, and pumps. The section sets fees and allows the director increase or decrease fees annually based on the annual percent change in the Consumer Price Index or as required to pay reasonable direct and indirect costs of administering the act.

Section 78 amends the Municipal Inland Port Authority Fund to clarify investment earnings will not be credited to the fund.

Section 79 amends the Municipality Infrastructure Aid Fund to clarify investment earnings will not be credited to the fund.

Section 80 amends the Computer Science and Technology Education Fund to clarify investment earnings will not be credited to the fund.

The act contains the emergency clause.

Accrual of investment earnings is difficult to project due to changes in fund balances and the future rate of return on earnings. However, estimated revenue to the General Fund from the direction of investment earnings on cash and revolving funds is estimated to be approximately \$35 million per fiscal year. FY25 is prorated based on the operative date of the act to be \$29,200,000.

Estimated cash fund revenue increases due to any potential change in fees is indeterminate at this time, as it would depend on the fees set by the agency. As such, potential cash fund revenue increases due to fee changes are not reflected in the table at the top of page 1.  
CONTINUED ON PAGE 5

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 3	AM:	AGENCY/POLT. SUB: Power & Review Board
REVIEWED BY: Neil Sullivan	DATE: 7/29/2024	PHONE: (402) 471-4179
COMMENTS: The Power & Review Board assessment of interest impact from LB 3 appears reasonable. While FY24 expenditure in this cash fund exceeded revenue by \$26,000, the fund had an end of year balance of \$145,000, or 25% of annual expenditure. Interest revenue represented 1.9% of total revenue.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 3	AM:	AGENCY/POLT. SUB: Board of Public Accountancy
REVIEWED BY: Neil Sullivan	DATE: 7/29/2024	PHONE: (402) 471-4179
COMMENTS: The Board of Public Accountancy assessment of interest impact from LB 3 appears reasonable. FY24 revenue in this cash fund exceeded expenditure by a similar amount of \$13,000, the fund had an end of year balance of \$571,000, or 143% of annual expenditure. Interest revenue represented 2.8% of total revenue.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 3	AM:	AGENCY/POLT. SUB: Board of Barber Examiners
REVIEWED BY: Neil Sullivan	DATE: 7/29/2024	PHONE: (402) 471-4179
COMMENTS: The Board of Barber Examiners saw closer to \$2,600 in interest earnings in FY24. The FY24 revenue in this cash fund exceeded expenditure by \$20,000, the fund had an end of year balance of \$165,000, or 102% of annual expenditure. Interest revenue represented 1.4% of total revenue.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 3	AM:	AGENCY/POLT. SUB: Electrical Board
REVIEWED BY: Neil Sullivan	DATE: 7/29/2024	PHONE: (402) 471-4179
COMMENTS: The Electrical Board assessment of interest impact from LB 3 appears reasonable. While FY24 expenditure in this cash fund exceeded revenue by about \$600,000, the fund had an end of year balance of \$649,000, or 30.5% of annual expenditure. Interest revenue represented 1.7% of total revenue.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 3	AM:	AGENCY/POLT. SUB: Racing & Gaming Commission
REVIEWED BY: Neil Sullivan	DATE: 7/29/2024	PHONE: (402) 471-4179
COMMENTS: The Racing & Gaming Commission total FY24 cash fund interest was closer to \$130,000. The FY24 revenue in these cash funds exceeded expenditure by about \$727,000, the cash funds had a cumulative end of year balance of \$2.8 million, or 79.4% of annual expenditure. Interest revenue represented 3.1% of total revenue.		

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

**2024**

**LB<sup>(1)</sup> 3**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Board of Barber Examiners

Prepared by: <sup>(3)</sup> K Allen Date Prepared: <sup>(4)</sup> 7/26/2024 Phone: <sup>(5)</sup> 402 471 2051

**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	_____	<b>-4000</b>	_____	<b>-2000</b>
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	=====	=====	=====	=====

**Explanation of Estimate:**

Fiscal years beginning in an even year are renewal years for licensing and the Barber Board has more cash fund in those years. Interest earned monthly on our cash fund that would be deposited into the General fund and not into the Barber Board Cash Fund will negatively impact the Board's cash fund. This impacts the ability of the Board to keep fees low, and will result in raising license fees to offset the loss of revenue created by LB3.

**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>	_____	_____	_____	_____

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

**2024**

**LB<sup>(1)</sup> 3 (Special Session)**

**FISCAL NOTE**

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

Prepared by: <sup>(3)</sup> Tim Texel Date Prepared: <sup>(4)</sup> July 28, 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	\$10,500	_____	\$10,500	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>\$10,500</u>	_____	<u>\$10,500</u>	_____

**Explanation of Estimate:**

LB 3 would change how interest earned on the Power Review Board’s (PRB) cash fund balance is distributed. Currently, the interest is credited to the PRB’s cash fund. LB 3, section 40, would change the procedure so that interest and other investment income would be credited to the State’s General Fund. Last year the PRB received \$10,547.67 in interest income from the agency’s cash fund balance. Although interest income is not part of the agency’s appropriation, and it is not accounted for in the agency’s budget, the result would be approximately \$10,500 less in the PRB’s cash fund or reserve fund, and \$10,500 more that the electric utilities would need to make up for in assessments during the following fiscal year, especially during a year in which the agency uses all of its allotted cash fund and has to use a portion of its reserve fund. During the 2023-2024 fiscal year the PRB used all of its allotted cash fund and had to use a portion of its reserve fund.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25 EXPENDITURES</u>	<u>2025-26 EXPENDITURES</u>
	<u>24-25</u>	<u>25-26</u>		
_____	0	0	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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

**2024**

**LB<sup>(1)</sup> 3**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska State Board of Public Accountancy/#63  
 7/26/2024

Prepared by: <sup>(3)</sup> Dan Sweetwood, Exec. Dir. Date Prepared: <sup>(4)</sup> 7-26-2024 Phone: <sup>(5)</sup> #471-3595

**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	_____	(12,000)	_____	(12,000)
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

**Explanation of Estimate:**

The Board's licensees, firms, and registrants pay fees for initial, and renewal permits to practice that are deposited into the Public Accountants Cash Fund. The Fund solely supports the Boards operations with no General Funds utilized. Provisions within LB 3 requires interest earned by the Cash Fund to be deposited into the General Fund. The loss of the above mentioned interest funds will impact the Board's Cash Fund and the ability of the Board to keep fees low and will result in raising fees earlier than expected

**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.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____



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

**2024**

**LB<sup>(1)</sup> 3**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Public Service Commission

Prepared by: <sup>(3)</sup> Laurie Casados Date Prepared: <sup>(4)</sup> 7/26/24 Phone: <sup>(5)</sup> 402-471-0252

**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>
<b>GENERAL FUNDS</b>	_____	_____	_____	_____
<b>CASH FUNDS</b>	_____	-\$2,708,306	_____	-\$2,708,306
<b>FEDERAL FUNDS</b>	_____	_____	_____	_____
<b>OTHER FUNDS</b>	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	=====	-\$2,708,306	=====	-\$2,708,306

**Explanation of Estimate:**

LB3 would modify Neb. Rev. Stat. §72-1248 such that interest for all cash and revolving funds in the state, except those specifically excluded, would to be credited to the General Fund. This change appears to take effect for FY2024-2025 and be applicable to all subsequent fiscal years.

The Commission has several programs that are funded via cash fund appropriation. It manages the cash flow and operations for these programs in part by utilizing interest received. Assuming interest rates remain similar to current levels, the loss of interest to these cash funds would be estimated as follows:

<b>Fund</b>	<b>Program Number</b>	<b>Cash Fund</b>	<b>Total Estimated Interest (using FY23-24)</b>	<b>Other Approved Interest transfers</b>	<b>Total Estimated Lost Interest by Fund</b>
20455	583	911 Service System	\$336,371	\$0	\$336,371
21400	060	Grain Warehouse Surveillance	\$425	\$0	\$425
21408	790	Municipal Rate Negotiation	\$3,871	\$0	\$3,871
21409	790	Natural Gas Regulation	\$20,873	\$0	\$20,873
21410	064	Telephone Relay System	\$11,219	\$0	\$11,219
21420	060	Moisture Testing Exam	\$6,552	\$0	\$6,552
21430	060	Grain Warehouse Auditing	\$1,976	\$0	\$1,976
21450	019	Housing & Recreational Vehicles	\$15,529	\$0	\$15,529
21455	054	Transportation Network Regulation	\$2,778	\$0	\$2,778
21460	686	Universal Service Fund (NUSF)	\$3,763,712	\$1,455,000*	\$2,308,712

\*Interest transfer to 211 Grants

If interest is no longer received for any of the Commission's cash funds, and therefore would not be available to help fund the ongoing operating costs for these programs, the Commission would have to evaluate the future impact on the sustainability of the current rate structure of the various

programs in subsequent years. For certain funds that have received significant amounts of interest annually, the Commission would have to review necessary decreases to the aid provided to compensate for the loss of interest income.

If interest was not available to distribute, the 911 Service System fund future 911 support to Public Safety Answering Points, for example, would potentially have to be reduced. The amount of reduced funding cannot be quantified at this time, however.

LB3, section 76, would specifically modify Neb. Rev. Stat. § 86-324 such that interest on the Nebraska Universal Service Fund would still be available for 211 grants, but all remaining interest would be transferred to the General Fund, beginning FY2024-2025. The Commission would need to evaluate the impact that receiving no interest would have on the long-term sustainability of the current aid provided within this program. Again, this amount cannot be quantified at this time.

**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.....			_____	_____
TOTAL.....			_____	_____

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

**2024**

**LB<sup>(1)</sup> 3**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Racing & Gaming Commission

Prepared by: <sup>(3)</sup> Rita Pracht Date Prepared: <sup>(4)</sup> 7/29/24 Phone: <sup>(5)</sup> 531-310-4536

**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	_____	-6,000	_____	-6,000
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

**Explanation of Estimate:**

Provisions within LB 3 requires interest earned by the Cash Fund to be deposited into the General fund, would be a negative impact to Nebraska Racing. The interest helps NRG fund additional personnel at the racetrack. The additional personnel are necessary for regulatory purposes. The loss of the interest funds will make it harder to keep additional personnel and may result in a reduction of regulatory services that is needed at the racetrack.

**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.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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

**2024**

**LB<sup>(1)</sup> 3 (Special Session)**

**FISCAL NOTE**

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

Prepared by: <sup>(3)</sup> \_\_\_\_\_ Date Prepared: <sup>(4)</sup> \_\_\_\_\_ Phone: <sup>(5)</sup> \_\_\_\_\_

**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	_____	(40,000)	_____	(40,000)
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	<b>=====</b>	<b>(40,000)</b>	<b>=====</b>	<b>(40,000)</b>

**Explanation of Estimate:**

LB3 Changes provisions regarding the accrual of interest for agency cash funds, including the Nebraska Real Estate Commission's Fund. Under the provisions of the bill the investment interest accrued would go to the General Fund rather than the Real Estate Commission's Cash Fund. Over time this change may cause the Commission to have to raise fees or reduce services due to decreased revenues available for expenditure.

**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>	_____	_____	_____	_____

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

**2024**

**LB<sup>(1)</sup> 3**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska State Electrical Division Agency 030

Prepared by: <sup>(3)</sup> Craig Thelen Date Prepared: <sup>(4)</sup> 7/29/2024 Phone: <sup>(5)</sup> 402-471-3508

**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	_____	\$(24,000.00)	_____	\$(25,000.00)
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

**Explanation of Estimate:**

The State Electrical Division collects licensing and renewal fees along with permit fees from registrants that are deposited into the Electrical Divisions Cash Fund. The Fund solely supports the Electrical Divisions operations with no General Funds utilized. Provisions within LB3 requires interest earned by the Cash Fund to be deposited into the General Fund. The loss of the above mentioned interest funds will impact the Division's Cash Fund and the ability of the Electrical Division to keep fees low and could result in raising fees.

**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.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____