PREPARED BY: DATE PREPARED: PHONE: Clinton Verner August 5, 2024 402-471-0056

**LB 58** 

Revision: 01

## **FISCAL NOTE**

Revised to include agency comment.

**LEGISLATIVE FISCAL ANALYST ESTIMATE** 

ESTIMATE OF FISCAL IMPACT - STATE AGENCIES (See narrative for political subdivision estimates)								
	FY 2024-25 FY 2025-26							
	EXPENDITURES	REVENUE	EXPENDITURES REVENUE					
GENERAL FUNDS	\$2,000,000							
CASH FUNDS								
FEDERAL FUNDS								
OTHER FUNDS								
TOTAL FUNDS	\$2,000,000							

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

LB58 creates an appropriation of \$2,000,000 from the General Fund for FY2024-25 to the Department of Natural Resources for the purposes of solar panel construction for the purpose of selling the energy produced for the purpose of property tax relief.

\$2,000,000 cost for FY2024-25, no anticipated revenues within this biennium due to the timeline for siting, permitting and construction. It is assumed that the Department of Natural Resources will contract out for the purposes of this project. Administrative costs will come out of the initial \$2,000,000 appropriation. No basis to disagree with the administrative costs provided by the agency.

ADMINISTRA	ATIVE SERVIC	ES STATE BUDGET DIVIS	SION: REVIEW OF AG	ENCY & POLT. SUB. RESPONSE
LB: 58	AM:	AGENCY/POLT. SUB: De	epartment of Revenue	
REVIEWED BY:	Jacob Leave	r DATE:	8/1/2024	PHONE: (402) 471-4173
COMMENTS: Co	ncur with the De	epartment of Revenue's inc	determinable fiscal imp	act as a result of LB 58.

ADMINISTR	ATIVE SERVICE	ES STATE BUDGET DIVIS	SION: REVIEW OF AGE	ENCY & POLT. SUB. RESPONSE
LB: 58	AM:	AGENCY/POLT. SUB: De	epartment of Natural Re	sources
REVIEWED BY:	Jacob Leave	r DATE:	8/2/2024	PHONE: (402) 471-4173
COMMENTS: Co	oncur with the De	epartment of Natural Reso	urces' estimated fiscal in	mpact as a result of LB 58.

<b>LB</b> <sup>(1)</sup> 58				FISCAL NOTE	Ξ
State Agency OR Political Subdivision Name: (2)		Department of Na			
Prepared by: (3) Bo	bb Robles	Date Prepared: (4)	07/29/2024 P	hone: (5) 402-741-1767	
	ESTIMATE PROVI	DED BY STATE AGEN	NCY OR POLITICAL SU	JBDIVISION	
	FY	2024-25	J	FY 2025-26	
	EXPENDITURES	REVENUE	<u>EXPENDITURE</u>	S REVENUE	
GENERAL FUNDS	2,000,000		455,885	_	
CASH FUNDS					
FEDERAL FUNDS					
OTHER FUNDS				_	
TOTAL FUNDS	2,000,000		455,885		

## **Explanation of Estimate:**

The cost for contracting for design and construction is unknown. The Department will operate the facility and sale of electricity. Cost of land to construct the solar panel facility is unknown. The department will need to add five full time employees to assist with the administration of the proposed legislation. The revenue generated from the sale of electricity is unknown at this point in time. It should be noted that the Nebraska Department of Environment and Energy may be better situated to distribute solar panel funds.

OOWN BY MA.	OR OBJECTS O	F EXPENDITURE	
NUMBER OI <u>24-25</u>	F POSITIONS <u>25-26</u>	2024-25 <u>EXPENDITURES</u>	2025-26 <u>EXPENDITURES</u>
1	1	38,355	39,506
1	1	63,785	65,700
3	3	156,750	161,453
		167,210	172,226
		10,000	15,000
Travel			
		1,562,400	0
		0	0
		0	0
		2,000,000	455,885
	NUMBER OI  24-25  1  1  3	NUMBER OF POSITIONS  24-25  1  1  1  3  3	24-25         25-26         EXPENDITURES           1         1         38,355           1         1         63,785           3         3         156,750            10,000            1,500            0            0

LB 0058 Fiscal Note 2024

State Agency Estimate							
State Agency Name: Department o	f Revenue				Date Due LFO:		
Approved by: James R. Kamm		Date Prepared:	LEAVE BL	ANK	Phone: 471-5896		
	FY 2024-	<u>-2025</u>	FY 202	<u>25-2026</u>	FY 202	26-2027	
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue	
General Funds	\$2,000,000	\$ 0		\$ 0		\$ 0	
Cash Funds				Indeterminable		Indeterminable	
Federal Funds							
Other Funds					· .		
Total Funds	\$2,000,000	\$ 0		Indeterminable		Indeterminable	

LB 58 allocates \$2 million from the General Fund in FY2024-2025 to the Department of Natural Resources for the purpose of construction of solar panels so that the energy produced can be sold back to the market and the revenue from such sales can be used for property tax relief.

LB 58 will generate an undeterminable amounts from the sale of energy to the market for property tax relief.

It is estimated that there will be no costs to the Department of Revenue to implement this bill.

Major Objects of Expenditure									
Class Code	Classification Title	24-25 <u>FTE</u>	25-26 <u>FTE</u>	26-27 <u>FTE</u>	24-25 Expenditures	25-26 Expenditures	26-27 Expenditures		
Benefits									
Operating Costs									
Travel									
Capital Outlay									
Capital Improvements									