

PREPARED BY: Scott Danigole  
 DATE PREPARED: December 12, 2023  
 PHONE: 471-0055

# LB 607

Revision: 01

Updated for 2024 Legislative Session

# 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   | See below         |         |                   |         |
| CASH FUNDS  | See below         |         |                   |         |
| FEDERAL FUNDS   |                   |         |                   |         |
| OTHER FUNDS   |                   |         |                   |         |
| TOTAL FUNDS   | See below         |         |                   |         |

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

LB 607 provides Legislative intent to shift funding of the Public Service Commission’s 211 Referral Network from Cash Funds to General Funds.

In FY22-23, \$955,000 per year was appropriated from earnings generated by the Nebraska Universal Service Fund. LB 607 states Legislative intent to appropriate \$1,275,000 of General Funds for this purpose in fiscal year 2023-24 and \$1,445,000 of General Funds in fiscal year 2024-25.

The mainline budget bill - LB 814 (2023) appropriated Cash Funds generated through earnings on the Universal Service Fund for this purpose. LB 607’s fiscal impact would appropriate \$1,275,000 of General Funds for fiscal year 2024 and \$1,445,000 of General Funds for fiscal year 2025, thereby reducing the PSC’s need for Cash Fund authority.

| ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE                                 |                  |  |  |
|---|------------------|--|--|
| LB: 607   | AM:              | AGENCY/POLT. SUB: Nebraska Public Service Commission |  |
| REVIEWED BY: Joe Massey   | DATE: 12/12/2023 | PHONE: (402) 471-4181                                |  |
| COMMENTS: No basis to disagree with the Nebraska Public Service Commission assessment of no fiscal impact from LB 607 |                  |  |  |

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

**2024**

**LB<sup>(1)</sup> 607**

**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> 12/5/2023 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>                     |
| GENERAL FUNDS | <u>1,445,000</u>             | <u>                    </u>  | <u>                    </u>        | <u>                    </u>        |
| CASH FUNDS    | <u>-1,445,000</u>            | <u>                    </u>  | <u>                    </u>        | <u>                    </u>        |
| FEDERAL FUNDS | <u>                    </u>  | <u>                    </u>  | <u>                    </u>        | <u>                    </u>        |
| OTHER FUNDS   | <u>                    </u>  | <u>                    </u>  | <u>                    </u>        | <u>                    </u>        |
| TOTAL FUNDS   | <u>          0          </u> | <u>          0          </u> | <u>          unknown          </u> | <u>          unknown          </u> |

**Explanation of Estimate:**

This bill would increase the grant amount in Neb. Rev. Stat. § 75-1101 for the 211 Information and Referral Network grants, which are currently authorized in the amount of \$955,000 annually. As currently written, LB607 proposes to increase the amount of funding the Commission can make available for these grants to \$1,275,000 in fiscal year 2023-2024 and \$1,445,000 in fiscal year 2024-2025. Pursuant to the LB818 transfer bill during the 2023 Legislative session, these increased amounts were directed to be transferred from NUSF interest, and that bill is now reflected in Neb. Rev. Stat. § 86-324(4). Therefore, for fiscal year 2023-2024 and fiscal year 2024-2025 there would be \$0 total fiscal impact as the proposed language changes would modify the authorized grant amount to match the amount that is required by § 86-324(4) to be transferred to the 211 cash fund. However, the proposed language change to § 75-1101 in LB607 would give the Commission authority to provide grants in these increased amounts.

The bill also provides for general fund appropriation for these grants instead of a transfer of interest from the Nebraska Universal Service Fund (NUSF). The underlying assumption is that general funds will be appropriated for the 211 cash fund (program 64) in the increased amounts noted above.

The bill as currently written is silent on the amounts for FY 2025-2026 so we are unable to make any determination as to the fiscal impact for FY 2025-2026 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.....             | <u>                    </u> | <u>                    </u> | <u>                    </u>  | <u>                    </u>        |
| Operating.....            | <u>                    </u> | <u>                    </u> | <u>                    </u>  | <u>                    </u>        |
| Travel.....               | <u>                    </u> | <u>                    </u> | <u>                    </u>  | <u>                    </u>        |
| Capital outlay.....       | <u>                    </u> | <u>                    </u> | <u>                    </u>  | <u>                    </u>        |
| Aid.....                  | <u>                    </u> | <u>                    </u> | <u>                    </u>  | <u>                    </u>        |
| Capital improvements..... | <u>                    </u> | <u>                    </u> | <u>                    </u>  | <u>                    </u>        |
| TOTAL.....                | <u>                    </u> | <u>                    </u> | <u>          0          </u> | <u>          unknown          </u> |