

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2025-26		FY 2026-27	
	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.

LB449 amends Nebraska §39-1365.01 by removing the current priorities which are used by the Nebraska Department of Transportation in planning the state highway system projects. This bill proposes to remove both the “preservation of existing state highway systems” priority; and the “current and projected traffic volume, safety requirements, economic development needs, current and projected demographic trends, and enhancement of the quality of life for all Nebraska citizens” priorities from the planning process. LB449 would add language stipulating that not less than 70% of the highway revenue raised in each district be allocated to projects within that district during the highway system planning process.

The Nebraska Department of Transportation (NDOT) has indicated that the fiscal impact of this bill cannot be determined. This is because the motor fuel tax data obtained by the Nebraska Department of Revenue Motor Fuel Tax Division does not allow for the determination of the final fuel sale location. Data reported on fuel tax returns is at the distributor level.

It appears that allocating 70% of highway revenue (of which motor fuel tax is the primary source) into the same districts from which the revenue was incurred is administratively impossible for certain revenue under the current structure of the motor fuel tax.

There is no basis to disagree with the NDOT’s assessment of indeterminate fiscal impact.

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2025

LB⁽¹⁾ 449

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Department of Transportation

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ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2025-26</u>		<u>FY 2026-27</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:

LB449 proposes to remove preservation of existing state highway systems as the Department's primary priority. The second priority which includes a variety of factors including but not limited to current and projected traffic volume, safety requirements, economic development needs, current and projected demographic trends, and enhancement of the quality of life for all Nebraska citizens is also removed. The bill would require not less than seventy percent of revenue raised in each district to be allocated to any project within the district.

One primary highway revenue source within the districts is motor fuel tax. Information obtained from the Department of Revenue Motor Fuel Tax Division does not allow for the determination of the final fuel sale location due to data reported on the fuel tax returns is at the distributor level. As a result, the impact of allocating seventy percent of highway revenue to the district in which the revenue was incurred is indeterminate.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26 EXPENDITURES</u>	<u>2026-27 EXPENDITURES</u>
	<u>25-26</u>	<u>26-27</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____