PREPARED BY: DATE PREPARED: PHONE: Shelly Glaser February 10, 2025 402-471-0052

LB 590

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT — STATE AGENCIES (See narrative for political subdivision estimates)								
	FY 202	5-26	FY 20	26-27				
	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.

LB590 amends Nebraska §37-335 to authorized the Nebraska Department of Transportation (NDOT) to establish and operate a mitigation bank or in-lieu fee program, which would address the incidental taking of threatened or endangered species and the environmental impacts to threatened or endangered species. Under this bill, NDOT would be allowed to enter into cooperative agreements with public and private parties, acquire land, and create a systematic approach to compensatory mitigation for transportation projects that might negatively affect wildlife habitats. NDOT would be granted the authority to establish and operate this program in accordance with state and federal laws. This mitigation bank or in-lieu fee program would be established with the aim of streamlining the permitting processes, increasing efficiency, and ensuring there is a mechanism to replace or enhance lost habitats. Additionally, the bill requires that owners of mitigation bank (state, local agency, or private party) whom owns the mitigation bank lands, pay a sum in lieu of property taxes to the county for lost ad valorem taxes.

NDOT has noted if the agency were to operate a mitigation bank, they would have an increase in expenditures associated with the ad valorem taxes to be paid to the counties. However, the agency is unable to determine a fiscal impact at this time. Also, the agency has stated that there would likely be a speeding up of their project delivery time under LB590.

The Nebraska Department of Revenue (NDOR) is estimating minimal expenses to their agency for implementation of this bill.

The Nebraska Game and Parks Commission (NGPC) has indicated no fiscal impact as a result of this bill.

There is no basis to disagree with these estimations of fiscal impact.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE						
LB: 590	AM:	AGENCY/POLT. SUB: Departmer	nt of Revenue			
REVIEWED B	REVIEWED BY: Joe Massey DATE: 2/10/2025 PHONE: (402) 471-4181					
COMMENTS: No basis to disagree with the Department of Revenue's assessment of no fiscal impact from LB 590.						

ADMINISTRAT	ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE						
LB: 590	AM:	AGENCY/POLT. SUB: Departme	ent of Transportation				
REVIEWED BY	REVIEWED BY: Joe Massey DATE: 2/10/2025 PHONE: (402) 471-4181						
COMMENTS: The Department of Transportation's assessment of indeterminate fiscal impact from LB 590 appears reasonable.							

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE						
LB: 590	AM:	AGENCY/POLT. SUB	: : Nebraska Game & Park Commission			
REVIEWED E	BY: Joe Massey	DATE: 1/30/2025	PHONE: (402) 471-4181			
COMMENTS: Nebraska Game & Park Commission's assessment of no net fiscal impact from LB 590 appears reasonable.						

LB ⁽¹⁾ 590 — Incidental taking of	f Threatened	d or Endan	gered species	F	ISCAL NOTE
State Agency OR Political Subdivision Name:	Nebrask	a Game &	Park Commission	on	
Prepared by: (3) Christina Peters	Date P	repared: (4)	January 23, 2025	Phone: (5)	(402) 471-5403
ESTIMATE PROV	IDED BY ST	ATE AGEN	CY OR POLITICAL	SUBDIVISI	ON
	Y 2025-26	-		FY 2026	
<u>EXPENDITUR</u>	ES R	<u>EVENUE</u>	<u>EXPENDITU</u>	<u>JRES</u>	REVENUE
GENERAL FUNDS					
CASH FUNDS			_		
FEDERAL FUNDS			_		
OTHER FUNDS					
TOTAL FUNDS					
Explanation of Estimate:					
caused by permitted activities. There is no fiscal impact to NGPC as the	ne legislation	is propose	d.		
<u>BREAKDO</u> Personal Services:	WN BY MAJO	R OBJECTS	S OF EXPENDITUR	<u>RE</u>	
POSITION TITLE	NUMBER OF <u>25-26</u>	POSITION: <u>26-27</u>	S 2025-26 EXPENDITI		2026-27 EXPENDITURES
Benefits					
Operating					
Travel					
Capital outlay					
Aid					
Capital improvements					
TOTAL					

LB 0590 Fiscal Note 2025

		State Agency	Estimate			
State Agency Name: Department of	of Revenue				Date Due LFO:	
Approved by: James R. Kamm		Date Prepared:	02/10/2025		Phone: 471-5896	
	FY 2025	5-2026	FY 2026	5-2027	FY 2027	7-2028
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue
General Funds		\$ 0		\$ 0		\$ 0
Cash Funds						
Federal Funds						
Other Funds						
Total Funds		\$ 0		\$ 0		\$ 0

LB 590 would provide that the Department of Transportation (DOT) may establish a mitigation bank to provide compensatory mitigation for the incidental taking of threatened or endangered species arising out of permitted activities related to transportation projects. This legislation would allow DOT to acquire ownership to real property for use with the mitigation bank. The state or local agency or private party that owns the mitigation bank must in lieu of property taxes to the county to make up for the lost taxes.

The Department estimates that LB 590 will have no impact on the General Fund revenues.

It is estimated that there will be minimal costs to the Department to implement this bill.

LB 590 operative date is three months after adjournment of the Legislature.

	Majo	r Objects of E	Expendit	ure			
Class Code	Classification Title	25-26 <u>FTE</u>	26-27 <u>FTE</u>	27-28 <u>FTE</u>	25-26 Expenditures	26-27 Expenditures	27-28 Expenditures
Benefits							
Operating Costs							
Total							

FISCAL NOTE

LB(1) 590

State Agency OR Political Subdi	vision Name: (2) De	partment of Trans	portation	
Prepared by: (3) Jenessa B	oynton 1	Date Prepared: (4) _2	/6/2025 Phone:	(5) 402-479-4691
EST	IMATE PROVIDED	BY STATE AGENCY	Y OR POLITICAL SUBDIV	VISION
	FY 2025	-26	FY 9.0	<u> 26-27</u>
EX	PENDITURES	<u>REVENUE</u>	EXPENDITURES	<u>REVENUE</u>
GENERAL FUNDS				
CASH FUNDS	See below		See below	
FEDERAL FUNDS				<u> </u>
OTHER FUNDS	_			
TOTAL FUNDS	See below		See below	
bank or an in-lieu fee prog state, local agency, or priv lost by the county. If enacted, LB 590 will hav transportation projects as i time. If NDOT would own lost by the county. The tot	ate party which ow e a positive fiscal i it relates to threate a mitigation bank t	ns the mitigation ba mpact to NDOT by ned and endangere here would be an in	streamlining processes of d species therefore reducerease in expense for the	of ad valorem taxes when assessing ucing project delivery
Personal Services:	BREAKDOWN BY	MAJOR OBJECTS	OF EXPENDITURE	
DOCITION TITLE		ER OF POSITIONS	2025-26	2026-27 EXPENDITURES
POSITION TITLE	<u>25-2</u>	<u>6</u> <u>26-27</u>	EXPENDITURES	<u>EXPENDITURES</u>
Benefits				
Operating				
Travel				
Capital outlay				
Aid				
Capital improvements				
TOTAL				