

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2013-14		FY 2014-15	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		(\$4,039)		(\$11,211)
CASH FUNDS		(\$163)		(\$454)
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		(\$4,202)		(\$11,665)

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

LB 90 amends Nebraska Revised Statutes Section 77-2701.16, to change the definition of gross receipts as it applies to the provision of electricity service.

The bill provides that in the furnishing of electricity service to a customer-generator, the local utility's gross receipts will be reduced by allowing an offset of the customer-generator's electricity production against their consumption.

A customer-generator is defined in Section 77-2701.16 as an end-use electricity customer that generates electricity on the customer's side of the meter from a qualified facility.

The bill has an operative date of October 1, 2013.

The Department of Revenue estimates, using the Nebraska average electricity price and consumption statistics from the U.S. Department of Energy and an assumption that 400 users over the course of the current and next biennium become customer-generators, the bill is expected to impact revenue by the following amounts:

Fiscal Year:	General Fund:	State Highway Capital Improvement Fund (Cash):	Highway Allocation Fund (Local):	Total:
2013-14:	(\$ 4,039)	(\$ 163)	(\$ 29)	(\$ 4,231)
2014-15:	(\$ 11,211)	(\$ 454)	(\$ 80)	(\$ 11,745)
2015-16:	(\$ 16,698)	(\$ 676)	(\$ 119)	(\$ 17,493)
2016-17:	(\$ 22,281)	(\$ 902)	(\$ 159)	(\$ 23,342)

The Department estimates minimal cost to implement the provisions of LB 90.

There is no basis to disagree with the Department of Revenue's estimate of fiscal impact or cost.

IMPACT TO POLITICAL SUBDIVISIONS:

The Department of Revenue estimates the following fiscal impact to the Highway Allocation Fund as a result of LB 90:

FY2013-14:	(\$ 29)
FY2014-15:	(\$ 80)
FY2015-16:	(\$ 119)
FY2016-17:	(\$ 159)

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 90	AM:	AGENCY/POLT. SUB: Dept. of Revenue	
REVIEWED BY: Lyn Heaton		DATE: 2/25/2013	PHONE: 402.471.4181
COMMENTS: No basis upon which to disagree with the Dept. of Revenue's analysis given the stated assumptions.			

