

PREPARED BY: Jeanne Glenn  
 DATE PREPARED: February 13, 2014  
 PHONE: 402-471-0056

# LB 941

Revision: 00

## FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2014-15</b>		<b>FY 2015-16</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	32,000			
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	32,000			

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

LB 941 directs the Department of Agriculture to prepared and submit on or before November 15, 2014, a report on the status of the dairy industry in Nebraska and an evaluation of expanded milk production. The Department may also include recommendations regarding state and local actions that may encourage expansion of both milk production and milk markets. LB 941 also expands the use of the Commercial Feed Administration Cash Fund in the Department of Agriculture to allow the fund to be used to fund the preparation of a Nebraska dairy industry report.

The Department of Agriculture estimates \$32,000 in costs to contract with the University of Nebraska to conduct the study and for the Department to publish copies of the study. All costs would come from the Commercial Feed Administration Cash Fund. There is no basis to disagree with the agency cost estimate.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES		
LB: 941	AM:	AGENCY/POLT. SUB: Nebraska Department of Agriculture
REVIEWED BY: Cindy Miserez	DATE: 02/12/2014	PHONE: <a href="tel:402-471-4174">402-471-4174</a>
COMMENTS: I concur with the Nebraska Department of Agriculture's statement of fiscal impact for LB941.		

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

**2014**

**LB<sup>(1)</sup> 941**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup>

Department of Agriculture

Prepared by: <sup>(3)</sup> Robert Storant

Date Prepared: <sup>(4)</sup> 02/10/2014

Phone: <sup>(5)</sup> 402-471-6821

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2014-15</u>		<u>FY 2015-16</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	32,000	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>32,000</u>	_____	_____	_____

**Explanation of Estimate:**

LB 941 requires the Department of Agriculture provide a report to the legislature on or before November 15, 2014 on the state of the dairy industry in Nebraska and may include recommendations to the legislature on actions to aid and encourage expansion of milk production and markets for milk in Nebraska. The bill spells out specific items to be addressed in the report.

The Department intends to contract with the University of Nebraska for assistance in completing this report. The Department requested the University provide a proposal to prepare such report, including compiling current information currently available, updating existing information, conducting additional surveys as needed and preparing a final report necessary to comply with this bill. The University estimates it would cost \$31,359 to do this work. In addition, the Department anticipates it will incur costs for staff to monitor the work performed, attend meetings and to incorporate possible recommendations into the report to the Legislature. This cost will be minimal and estimated to be \$641.00, including printing costs. This would be a one-time cost that would occur during FY 2014-15.

To fund the study and prepare a report with possible recommendations to the legislature, the bill expands the authorized use of the Commercial Feed Administration Cash Fund. The fund has adequate resources to fund the report and associated costs and would have a minimal impact on the current cash flow in this fund. The Department has an anticipated need for use of the existing cash fund balance as the Commercial Feed Program incorporates components of the federal Food Safety Modernization Act.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2014-15</u>	<u>2015-16</u>
	<u>14-15</u>	<u>15-16</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating/contractual.....	_____	_____	32,000	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	<u>32,000</u>	_____