

PREPARED BY: Clinton Verner
 DATE PREPARED: February 24, 2021
 PHONE: 402-471-0056

LB 424

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2021-22		FY 2022-23	
	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.

LB 424 requires county governments to enact zoning requirements for wind energy projects. The zoning requirements for wind energy projects will take into account fixed-distance setbacks, noise standards, and fees for conditional use permits. This legislation would affect future projects and as such would not affect revenues on current projects. Zoning requirements are not set in this legislation and would be set by counties, however all political subdivisions that collect Nameplate Capacity Taxes could be affected if LB 424 results in fewer projects.

As requirements are being set by counties, zoning requirements will vary in their permissiveness and vary in their impact on wind projects.

No fiscal impact to the state.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 424	AM:	AGENCY/POLT. SUB: Brown County	
REVIEWED BY: Claire Oglesby	DATE: 2/25/21	PHONE: (402) 471-4174	
COMMENTS: No basis to disagree with Brown County's fiscal note.			

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

2021

LB⁽¹⁾ 424

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ BROWN COUNTY

Prepared by: ⁽³⁾ J. ANDREW TAYLOR Date Prepared: ⁽⁴⁾ 24 FEB 2021 Phone: ⁽⁵⁾ (402) 387-0926

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2021-22</u>		<u>FY 2022-23</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>NO FISCAL IMPACT</u>	<u>NO FISCAL IMPACT</u>	<u>NO FISCAL IMPACT</u>	<u>NO FISCAL IMPACT</u>
CASH FUNDS	<u>NO FISCAL IMPACT</u>	<u>NO FISCAL IMPACT</u>	<u>NO FISCAL IMPACT</u>	<u>NO FISCAL IMPACT</u>
FEDERAL FUNDS	<u>NO FISCAL IMPACT</u>	<u>NO FISCAL IMPACT</u>	<u>NO FISCAL IMPACT</u>	<u>NO FISCAL IMPACT</u>
OTHER FUNDS	<u>NO FISCAL IMPACT</u>	<u>NO FISCAL IMPACT</u>	<u>NO FISCAL IMPACT</u>	<u>NO FISCAL IMPACT</u>
TOTAL FUNDS	<u>NO FISCAL IMPACT</u>	<u>NO FISCAL IMPACT</u>	<u>NO FISCAL IMPACT</u>	<u>NO FISCAL IMPACT</u>

Explanation of Estimate:

We are currently revising our Zoning Regulations including the construction of wind turbines. Those regulations will match LB 424 requirements so there will be no additional expense to modify our Zoning Regulations.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22</u>	<u>2022-23</u>
	<u>21-22</u>	<u>22-23</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				

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

2021

LB⁽¹⁾ 424

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Kimball County, Nebraska

Prepared by: ⁽³⁾ Sheila Newell Date Prepared: ⁽⁴⁾ Febr 24, 2021 Phone: ⁽⁵⁾ 308-235-2235

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2021-22		FY 2022-23	
	<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:

The requirements/restrictions of LB424 creates the potential for a significant long-term loss of anticipated tax revenue to all political subdivisions in Kimball County. This fiscal note assumes 2021-2022 as the beginning date. Kimball County has 2 additional anticipated wind farms. Each have proposed a tentative start date of fall 2021. The total towers would be between 30 and 35, each tower having a 2.5 mw capacity. This fiscal statement assumes only 24 wind turbines. The nameplate capacity tax would be \$211,080 based on the current tax of \$3518 per megawatt (60 mw total). The nameplate capacity tax is the largest potential loss of revenue. The second largest potential loss of revenue is real property taxes. Real property is subject to local assessment. Real property includes, but is not limited to: concrete pads; foundations; operations and maintenance buildings; road construction; leasehold value; and lease payments. This real property will be assessed at 100% of actual value. (Directive 16-1: Assessment of Renewable Energy Generation Facilities) Based on the Assessor's valuation and the current tax levy for 12 wind turbines (Kimball Wind), the conservative potential loss would be approximately \$47,000. In addition, Kimball County would lose the fees for the wind energy site plan and wind energy permit applications. These lost fees would be \$25,400.

LB424 would have a direct effect on the local economy. Wind projects generate distinct and positive economic impacts during the construction and operation phases. These lost benefits include the following: increased sales and lodging tax revenues from temporary and permanent employees purchasing goods and services during construction and operation; increased need for and expenditures on local goods and services; land lease revenues for local landowners; creation of jobs and stable employment; and, additional property taxes paid by new employees moving into the area.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2021-22 EXPENDITURES	2022-23 EXPENDITURES
	<u>21-22</u>	<u>22-23</u>		
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				