

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2021-22</b>		<b>FY 2022-23</b>	
	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 591 would require any Natural Resources district seeking to create an augmentation project to add water to a natural stream or channel of the state to offset water depletion to obtain a permit from the Department of Natural Resources. The application must include plans and specifications detailing the intended times, amounts, stream-entry locations, stream-reach locations, and other information required by the project. The water subject to such permit shall be deemed appropriated. Permit holders will be liable for any damages related to overflow from such stream or channel when water so conducted contributed to overflow. Any fiscal impact would be felt by Natural Resources Districts, with estimates of permitting costs in the hundreds of thousands and liabilities extending to over \$1 million. Additional planning and environmental review burden will vary by Natural Resources District, the cost estimates submitted seem reasonable. We have no reason to dispute their estimates. No impact to the General Fund.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 591	AM:	AGENCY/POLT. SUB: Department of Natural Resources	
REVIEWED BY: Claire Oglesby	DATE: 2/5/21	PHONE: (402) 471-4174	
COMMENTS: Concur with Department of Natural Resources' statement that there is no fiscal impact to the Agency.			

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 591	AM:	AGENCY/POLT. SUB: Lower Platte South NRD	
REVIEWED BY: Claire Oglesby	DATE: 2/05/21	PHONE: (402) 471-4174	
COMMENTS: Based on the assumptions provided there is no basis to disagree with Lower Platte South NRD's fiscal note statement.			

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 591	AM:	AGENCY/POLT. SUB: Papio-Missouri NRD	
REVIEWED BY: Claire Oglesby	DATE: 2/5/21	PHONE: (402) 471-4174	
COMMENTS: No basis to disagree with Papio-Missouri NRD's fiscal note statement.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 591                      AM:                      AGENCY/POLT. SUB: Upper Republican NRD

REVIEWED BY: Claire Oglesby                      DATE: 2/4/21                      PHONE: (402) 471-4174

COMMENTS: No basis to dispute the Upper Republican NRD's estimated cost from LB 591. There is not an impact to the State General Fund.

State Agency OR Political Subdivision Name: <sup>(2)</sup> Department of Natural Resources

Prepared by: <sup>(3)</sup> Ron Theis Date Prepared: <sup>(4)</sup> 1/22/21 Phone: <sup>(5)</sup> 402 471 0577

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	0	0	0	0
CASH FUNDS	0	0	0	0
FEDERAL FUNDS	0	0	0	0
OTHER FUNDS	0	0	0	0
TOTAL FUNDS	0	0	0	0

Explanation of Estimate:

The bill does not create any fiscal impact upon agency budget or operating costs.

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>
			0	0
			0	0
Benefits.....			0	0
Operating.....			0	0
Travel.....			0	0
Capital outlay.....			0	0
Aid.....			0	0
Capital improvements.....			0	0
TOTAL.....			0	0

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

**2021**

**LB<sup>(1)</sup> 591**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Lower Platte South NRD

Prepared by: <sup>(3)</sup> Paul Zillig Date Prepared: <sup>(4)</sup> January 26, 2021 Phone: <sup>(5)</sup> 402-473-2729

**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	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>

**Explanation of Estimate:**

No known fiscal impact to Lower Platte South NRD. Future concerns include permit costs, required State approval of the permit, and costs defending frivolous lawsuits. The permit application requirements are not known. Based on other permits the estimated permit costs could be \$100,000 - \$200,000 for engineering and environmental study.

**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.....	_____	_____	_____	_____
<b>TOTAL.....</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>

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

2021

LB<sup>(1)</sup> 591

FISCAL NOTE

State Agency OR Political Subdivision Name: <sup>(2)</sup> Papio-Missouri River Natural Resources District

Prepared by: <sup>(3)</sup> John Winkler Date Prepared: <sup>(4)</sup> January 21, 2021 Phone: <sup>(5)</sup> 402-444-6222

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	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

No Fiscal Impact to the Papio-Missouri River Natural Resources District

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<sup>(1)</sup> 591**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Upper Republican Natural Resources District

Prepared by: <sup>(3)</sup> Jasper Fanning Date Prepared: <sup>(4)</sup> January 28, 2021 Phone: <sup>(5)</sup> (888) 883-9066

**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>+\$550,000</u>	<u>                    </u>	<u>+\$1,550,000</u>	<u>                    </u>
CASH FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
FEDERAL FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
OTHER FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
TOTAL FUNDS	<u>+\$550,000</u>	<u>                    </u>	<u>+\$1,550,000</u>	<u>                    </u>

**Explanation of Estimate:**

Typical permit application expenses involve significant engineering review, reporting, and environmental work. Typically permit compliance requiring environmental monitoring and reporting takes significant engineering and environmental consulting resources.

In addition, the bill adds liability to the District to the existing liability related to such activities under current law. Additional stream monitoring equipment, installation, maintenance and repair would be required to mitigate these additional liabilities and would need to be integrated into the existing supervisory control and data acquisition systems of the projects at all 30 wells and 2 control stations, including telemetry systems spanning 50 miles on one project and 10 miles on the other. While these measures can manage the liability they could not eliminate the additional liability risk the bill proposes to implement and the liability incurred from a large rainfall event could be in the tens or hundreds of millions of dollars which is not included in our fiscal note, as there are federal dams and municipalities that could incur damage from flooding during a large rain event.

**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.....	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Operating.....	<u>                    </u>	<u>                    </u>	<u>\$250,000</u>	<u>\$450,000</u>
Travel.....	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Capital outlay.....	<u>                    </u>	<u>                    </u>	<u>\$300,000</u>	<u>\$1,100,000</u>
Aid.....	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Capital improvements.....	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
TOTAL.....	<u>                    </u>	<u>                    </u>	<u>\$550,000</u>	<u>\$1,550,000</u>