

PREPARED BY: Clinton Verner
 DATE PREPARED: January 23, 2023
 PHONE: 402-471-0056

LB 766

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

| ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates) | | | | |
|---|--------------------|---------|--------------------|---------|
| | FY 2023-24 | | FY 2024-25 | |
| | EXPENDITURES | REVENUE | EXPENDITURES | REVENUE |
| GENERAL FUNDS | \$183,568 | | \$183,466 | |
| CASH FUNDS | | | | |
| FEDERAL FUNDS | \$3,250,000 | | \$3,250,000 | |
| OTHER FUNDS | | | | |
| TOTAL FUNDS | \$3,433,568 | | \$3,433,466 | |

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

LB766 appropriates \$3,250,000 from Federal Funds pursuant to the American Rescue Plan Act (ARPA) of 2021 for FY23-24, FY24-25 to the Department of Environment and Energy for Reverse Osmosis systems.

No basis to disagree with NDEE’s estimate for increased administrative needs. Since LB766 states funds are appropriated to NDEE, “for reverse osmosis systems, which shall only be used for such purpose” we concur that administrative costs will have to come from general funds. Administrative costs appear reasonable.

During the 2022 Session, the total ARPA State Coronavirus Fiscal Recovery Funds appropriated, or with the intent to be appropriated in the upcoming biennium, was \$1,037,454,413 out of the total \$1,040,000,000 allocated to the State of Nebraska.

| ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE | | | |
|---|-----------------|--|--|
| LB: 766 | AM: | AGENCY/POLT. SUB: Department of Environment and Energy | |
| REVIEWED BY: Jacob Leaver | DATE: 1/25/2023 | PHONE: (402) 471-4173 | |
| COMMENTS: Concur with the Department of Environment and Energy’s estimated fiscal impact to the agency as a result of LB 766. The maximum funding available under the federal Coronavirus State Fiscal Recovery Fund is \$1.04 billion. Appropriation of these funds must be balanced in aggregate in order to avoid over obligation. | | | |

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2023

LB⁽¹⁾ 766 REVISED

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Department of Environment and Energy

Prepared by: ⁽³⁾ Kevin Stoner Date Prepared: ⁽⁴⁾ 1/23/2023 Phone: ⁽⁵⁾ 402-471-2186

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

| | <u>FY 2023-24</u> | | <u>FY 2024-25</u> | |
|--------------------|-----------------------------|------------------------------------|-----------------------------|------------------------------------|
| | <u>EXPENDITURES</u> | <u>REVENUE</u> | <u>EXPENDITURES</u> | <u>REVENUE</u> |
| GENERAL FUNDS | <u>183,568</u> | <u> </u> | <u>183,464</u> | <u> </u> |
| CASH FUNDS | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| FEDERAL FUNDS | <u>3,250,000</u> | <u> </u> | <u>3,250,000</u> | <u> </u> |
| OTHER FUNDS | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| TOTAL FUNDS | <u>3,433,568</u> | <u> </u> | <u>3,433,467</u> | <u> </u> |

Explanation of Estimate:

LB766 appropriates \$3,250,000 of Federal Funds from the American Rescue Plan Act (ARPA) of 2021 to the Department of Environment and Energy (NDEE) in state fiscal years 2023-24 and 2024-25 for reverse osmosis systems in community water systems.

Based on the proposed legislative bill, NDEE anticipates it would need an additional 2 FTEs to administer/implement this program.

NDEE requests to receive administrative fees from general funds to implement/administer this program. As stated in LB 1014 of the 107th Legislature, NDEE cannot utilize funding set aside from the ARPA allocation for administrative expenses that is held with the Military Department.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

| <u>POSITION TITLE</u> | <u>NUMBER OF POSITIONS</u> | | <u>2023-24</u> | <u>2024-25</u> |
|------------------------------------|----------------------------|--------------|-------------------------|-------------------------|
| | <u>23-24</u> | <u>24-25</u> | <u>EXPENDITURES</u> | <u>EXPENDITURES</u> |
| <u>Environmental Specialist II</u> | <u>2</u> | <u>2</u> | <u>100,442</u> | <u>105,464</u> |
| <u>Benefits.....</u> | | | <u>33,146</u> | <u>34,803</u> |
| <u>Operating.....</u> | | | <u>47,972</u> | <u>41,131</u> |
| <u>Travel.....</u> | | | <u>2,008</u> | <u>2,068</u> |
| <u>Capital outlay.....</u> | | | | |
| <u>Aid.....</u> | | | <u>3,250,000</u> | <u>3,250,000</u> |
| <u>Capital improvements.....</u> | | | | |
| TOTAL..... | | | <u>3,433,568</u> | <u>3,433,467</u> |