

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2025-26		FY 2026-27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS		(\$819,040)		(\$819,040)
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		(\$819,040)		(\$819,040)

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

LB279 proposes to amend Nebraska §60-399 and §60-3,100 to stipulate that only one license plate is required to be displayed on the rear of the motor vehicle.

Revenues:

The Nebraska Department of Motor Vehicles (DMV) has stated that LB279 as written, would only require one license plate to be displayed. However, the DMV has noted that the public could pay for the two license plates and not pay the current \$50.00 fee in statute required to utilize only one license plate. Not only would the additional fee loss count as reduced revenue, but the extra plate and sticker could be used fraudulently on another unregistered vehicle.

The potential fraudulent loss of not purchasing the single plate decal would impact the Highway Trust Fund. The potential loss of registration fees and all applicable taxes, if the extra plate and sticker were used on an unregistered vehicle, would be a loss of revenue to the DMV Cash Fund, the DMV Vehicle Title and Registration System Replacement and Maintenance Fund, the Highway Trust Fund, and revenue losses to cities, counties and school districts.

The Nebraska Department of Transportation (NDOT) has indicated that a license decal for one plate would no longer be purchased, which would result in a revenue loss to the Highway Trust Fund each year. Based on the most recent year's data from the DMV, the single plate decal revenue loss to the Highway Trust Fund would total \$1,535,700 in both FY2025-26 and FY2026-27. NDOT's Highway Cash Fund would lose \$819,040 in cash funding in both FY2025-26 and FY2026-27; and the Highway Allocation Fund (distributed to cities and counties) would lose around \$716,660 in cash funding in both FY2025-26 and FY2026-27.

Also, NDOT has noted that during FY2025-26, FY2026-27, and in subsequent years, these revenue losses to the Highway Trust Fund would be considered during the gas tax setting and a possible adjustment to the variable rate could occur, to generate revenue based on the NDOT's Highway Cash Fund appropriation set by the Legislature.

The Nebraska State Patrol (NSP), the Nebraska Department of Correctional Services (NDCS), the Lincoln Police Department have all indicated no fiscal impact as a result of this bill

There is no basis to disagree with these estimations of fiscal impact by the DMV, NDOT, NSP, NDCS, and the Lincoln Police Department.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 279	AM:	AGENCY/POLT. SUB: Nebraska Department of Transportation	
REVIEWED BY: Joe Massey	DATE: 1/30/2025	PHONE: (402) 471-4181	
COMMENTS: Nebraska Department of Transportation assessment of fiscal impact from LB 279 appears reasonable using the assumptions provided.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 279	AM:	AGENCY/POLT. SUB: Nebraska Department of Correctional Services	
REVIEWED BY: Joe Massey		DATE: 1/28/2025	PHONE: (402) 471-4181
COMMENTS: No basis to disagree with the Nebraska Department of Correctional Services assessment of no fiscal impact from LB 279			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 279	AM:	AGENCY/POLT. SUB: : Nebraska State Patrol	
REVIEWED BY: Joe Massey		DATE: 1/27/2025	PHONE: (402) 471-4181
COMMENTS: Nebraska State Patrol's assessment of no net fiscal impact from LB 279 appears reasonable.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 279	AM:	AGENCY/POLT. SUB: : Department of Motor Vehicles	
REVIEWED BY: Joe Massey		DATE: 1/27/2025	PHONE: (402) 471-4181
COMMENTS: Department of Motor Vehicles assessment of no net fiscal impact from LB 279 appears reasonable. Additional assessments are reasonable.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 279	AM:	AGENCY/POLT. SUB: Lincoln Police Department	
REVIEWED BY: Joe Massey		DATE: 1/21/2025	PHONE: (402) 471-4181
COMMENTS: No basis to disagree with the Lincoln Police Department's assessment of no fiscal impact from LB 279			

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

2025

LB⁽¹⁾ 279

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Department of Motor Vehicles

Prepared by: ⁽³⁾ Bart Moore Date Prepared: ⁽⁴⁾ January 24, 2025 Phone: ⁽⁵⁾ 402-471-3902

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2025-26</u>		<u>FY 2026-27</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:

This legislation, as written, will continue the practice of issuing two license plates, but only require one to be displayed. This extra plate could be attached to a different, unregistered vehicle allowing that owner to avoid registration fees and all applicable taxes. This loss of revenue would impact the DMV Cash Fund, the DMV Vehicle Title and Registration System Replacement and Maintenance Fund, the Highway Trust Fund, various funds from local governments including cities, counties and school districts. The amount of impact to these funds cannot be determined at this time.

This legislation retains the \$50.00 fee that will be required for citizens to pay to utilize only one license plate. The applicable fee could be overlooked by vehicle owners that display only one plate. Any decline in the purchase of the single plate decal will have an impact on the Highway Trust Fund. The amount of this reduced revenue cannot be determined at this time.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</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.

2025

LB⁽¹⁾ 279

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska State Patrol

Prepared by: ⁽³⁾ Carol Aversman Date Prepared: ⁽⁴⁾ 01/23/2025 Phone: ⁽⁵⁾ 402-471-4545

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2025-26</u>		<u>FY 2026-27</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

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</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.

2025

LB⁽¹⁾ 279

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Department of Correctional Services

Prepared by: ⁽³⁾ Lisa Stanton Date Prepared: ⁽⁴⁾ 01/21/2025 Phone: ⁽⁵⁾ (402)479-5702

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2025-26</u>		<u>FY 2026-27</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:

NDCS estimates no fiscal impact as a result of LB279.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</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.

2025

LB⁽¹⁾ 279

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Department of Transportation

Prepared by: ⁽³⁾ Jenessa Boynton Date Prepared: ⁽⁴⁾ 1/28/25 Phone: ⁽⁵⁾ 402-479-4691

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2025-26</u>		<u>FY 2026-27</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	(\$819,040)	_____	(\$819,040)
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	(\$716,660)	_____	(\$716,660)
TOTAL FUNDS	=====	(\$1,535,700)	=====	(\$1,535,700)

Explanation of Estimate:

LB 279 would allow for the operation of motor vehicles and trailers as long as at least one license plate is displayed on the rear of the vehicle. Two license plates would be issued for every motor vehicle except as provided in Neb. Rev. Stat. § 60-3,100 (2).

If LB279 is enacted, the Department of Transportation (NDOT) anticipates the license decal for one plate would no longer be purchased resulting in a reduction in revenue to the Highway Trust Fund. The single plate decal revenue provided by the Department of Motor Vehicles for the most recent year totaled \$1,535,700.

Revenue to Highway Trust Fund		
	FY2025-26	FY2026-27
Highway Cash Fund (NDOT)	(\$819,040)	(\$819,040)
Highway Allocation Fund (cities and counties)	(\$716,660)	(\$716,660)

During FY2025-26 and FY2026-27 and subsequent years, NDOT would consider the decrease in revenue to the Highway Trust fund during the motor fuels tax setting and adjust the variable rate accordingly to generate revenue based on the NDOT's Highway Cash Fund appropriation set by the Legislature. The decrease in revenue to the Highway Trust Fund also affects the Highway Allocation Fund, which is shared by cities and counties.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</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.

2025

LB⁽¹⁾ 279

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Lincoln Police Department

Prepared by: ⁽³⁾ Captain Todd Kocian #940 Date Prepared: ⁽⁴⁾ 01-17-2025 Phone: ⁽⁵⁾ 402-441-1871

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2025-26</u>		<u>FY 2026-27</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:

There would be no fiscal impact to our agency. This bill would allow for the operation of a vehicle with one license plate displayed.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____