

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)					
EXPENDITURES	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	0	0	0	0	0
FY2027-2028	0	0	0	0	0
FY2028-2029	0	0	0	0	0
REVENUE	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	0	0	0	0	0
FY2027-2028	0	0	0	0	0
FY2028-2029	0	0	0	0	0

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

LB888 amends §75-156(4) by removing a \$1,000.00 per day maximum civil penalty, which the Public Service Commission (PSC) can currently assess for a violation of the Nebraska Uniform Standards for Modular Housing Units Act or the Uniform Standards Code for Manufactured Homes and Recreational Vehicles Act. This bill would replace the set fee with an adjustable maximum penalty based on the Consumer Price Index (CPI); to be adjusted on August 1st each year, by the CPI percentage difference (rounded to the nearest dollar). LB888 would set the initial maximum penalty at \$3,650 per each violation, with \$4,562,282 being the maximum penalty for a series of related violations within a year.

This bill would become effective three calendar months after the adjournment of the Legislature.

Revenues:

The PSC is the State Administrative Agency for the U.S. Department of Housing and Urban Development's manufactured home program in Nebraska, the Public Service Commission is required by 24 CFR § 3282.302(b) (3) to match its state civil penalty amounts with the federal equivalent found at 24 CFR § 3282.10. This bill would align the state and federal civil penalty amounts and establish an annual CPI adjustment to ensure Nebraska's continual compliance with the Federal Manufactured Housing program.

The Nebraska Public Service Commission (PSC) has indicated that while this bill does increase the maximum allowable penalty, the agency has not had to assess a civil penalty under these provision to date. Thus, PSC anticipates an indeterminate increase to revenues which would not go to the PSC, but rather to the common schools (as per Nebraska Constitution Art. VII, Sec. 5).

There is no basis to disagree with the PSC's estimation of indeterminate fiscal impact, given the assumptions used.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 888	AM:	AGENCY/POLT. SUB: Public Service Commission
REVIEWED BY: Joe Massey	DATE: 1/14/2026	PHONE: (402) 471-4181
COMMENTS: The Public Service Commission assessment of no net fiscal impact from LB888 appears reasonable.		

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

2026

LB⁽¹⁾ 888

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Public Service Commission

Prepared by: ⁽³⁾ Laurie Casados Date Prepared: ⁽⁴⁾ 1/12/2026 Phone: ⁽⁵⁾ 402-471-0252

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2026-27</u>		<u>FY 2027-28</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Explanation of Estimate:

LB 888 modifies the calculation of the civil penalty that the Public Service Commission may assess for violations of the Nebraska Uniform Standards for Modular Housing Units Act or the Uniform Standards Code for Manufactured Homes and Recreational Vehicles Act. While the bill increases the maximum allowable penalty and provides for annual adjustments based on the Consumer Price Index, the Commission has not assessed a civil penalty under these provisions to date. As a result, the bill could result in a very small, indeterminate increase in civil penalties collected. However, all civil penalty revenues would be deposited to the common school fund and not retained by the Public Service Commission consistent with Neb. Const. art. VII, sec. 5.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2026-27</u>	<u>2027-28</u>
	<u>26-27</u>	<u>27-28</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			<u>0</u>	<u>0</u>