

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	396,000	0	0	396,000
FY2027-2028	0	410,000	0	0	410,000
FY2028-2029	0	424,000	0	0	424,000

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

LB 1021 provides that beginning January 1, 2027, the following penalty shall be credited to the Department of Revenue (DOR) Property Assessment Division Cash Fund: Failure to file the report on nameplate capacity, filing such report late, failure to pay taxes due, or underpayment of such taxes shall result in a penalty of 5% of the amount due being imposed for each quarter the report is overdue or the payment is delinquent, except that the penalty shall not exceed \$10,000.

The bill provides that the DOR shall retain 3% of the proceeds of the nameplate capacity tax for the costs of the administration of sections 77-6201 to 77-6204, and shall pay all remaining proceeds over to the county treasurer of the county where the renewable energy generation facility is located within 30 days after receipt of the proceeds.

The bill provides that counties shall not retain any revenue collected pursuant to sections 77-6201 to 77-6204 for the costs of the administration of sections 77-6201 to 77-6204.

The bill is operative 3 months after adjournment of the Legislature.

The DOR estimates the following increases to the DOR Property Assessment Division Cash Fund as result of the bill:

- FY27: \$396,000
- FY28: \$410,000
- FY29: \$424,000

The DOR estimates no cost to it to implement the bill.

There is no basis to disagree with these estimates.

Counties would not be able to collect a 1% commission for nameplate capacity tax as a result of this bill. Local governments are estimated to have reduced revenue due to the DOR retaining 3% of the proceeds of the nameplate capacity tax before distributing the tax to the local governments.

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

2026

LB⁽¹⁾ 1021

FISCAL NOTE

State Agency OR Political Subdivision
Name: ⁽²⁾

Nebraska Community College Association

Prepared by: ⁽³⁾ Courtney Wittstruck

Date Prepared: 1/20/26
⁽⁴⁾

Phone: ⁽⁵⁾ 402.381.2084

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		-18,990		-19,559
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		-18,990		-19,559

Explanation of Estimate:

3% YoY increase based on 2024 total.

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* Reduction does not include any late penalties or interest as mandated in LB1021, as those weren't reported or collected in 2024.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

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

.
**Capital
improvements**.....
TOTAL.....

_____	_____
_____	_____
_____	_____
_____	_____

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

LB: 1021 AM: AGENCY/POLT. SUB: Department of Revenue

REVIEWED BY: Ryan Yang DATE: 2/17/2025 PHONE: (402) 471-4178

COMMENTS: Concur with the Department of Revenue assessment of fiscal impact from LB 1021.

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

LB: 1021 AM: AGENCY/POLT. SUB: Metropolitan Community College

REVIEWED BY: Ryan Yang DATE: 1/20/2026 PHONE: (402) 471-4178

COMMENTS: No basis to disagree with the Metropolitan Community College assessment of no fiscal impact from LB 1021.

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

LB: 1021 AM: AGENCY/POLT. SUB: Lancaster County, Nebraska

REVIEWED BY: Ryan Yang DATE: 1/21/2025 PHONE: (402) 471-4178

COMMENTS: No basis to disagree with the Lancaster County assessment of minimal fiscal impact from LB 1021.

Technical Note: The note of minimal fiscal impact on the Lancaster County fiscal note shows the impact to the political subdivision and does not impact the State General Fund.

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

LB: 1021 AM: AGENCY/POLT. SUB: Nebraska Association of County Officials (NACO)

REVIEWED BY: Ryan Yang DATE: 1/16/2025 PHONE: (402) 471-4178

COMMENTS: No basis to disagree with the NACO assessment of negative fiscal impact from LB 1021.

Technical Note: The lost revenue reflected on the fiscal note shows the impact to the political subdivisions and does not impact State General Fund revenue.

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

2026

LB⁽¹⁾ 1021

FISCAL NOTE

State Agency OR Political Subdivision
Name: ⁽²⁾

Lancaster County, Nebraska

Prepared by: ⁽³⁾ Dennis Meyer

Date Prepared: 1/20/2026
⁽⁴⁾

Phone: ⁽⁵⁾ 402-441-6869

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				

Explanation of Estimate:

LB1021 is expected to result in a minimal loss of revenue to Lancaster County due the redirection of penalty amounts, with no material impact on County operations.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

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

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

2026

LB⁽¹⁾ 1021

FISCAL NOTE

State Agency OR Political Subdivision
Name: ⁽²⁾

Lancaster County Treasurer

Prepared by: ⁽³⁾ Rachel Garver

Date Prepared: ⁽⁴⁾ Jan. 21, 2026

Phone: ⁽⁵⁾ 402-441-7425

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2026-27		FY 2027-28	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	0		0	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	0		0	

Explanation of Estimate:

No Fiscal Impact for the County Treasurer's Office.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

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

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

2026

LB⁽¹⁾ 1021

FISCAL NOTE

State Agency OR Political Subdivision
Name: ⁽²⁾

Metropolitan Community College

Prepared by: ⁽³⁾ Brian DeNio

Date Prepared: 1/16/26
⁽⁴⁾

Phone: ⁽⁵⁾ (531)622-2515

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				

Explanation of Estimate:

No Fiscal Impact

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

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

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

2026

LB⁽¹⁾ 1021

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Association of County Officials (NACO)

Prepared by: ⁽³⁾ Elaine Menzel Date Prepared: ⁽⁴⁾ 1/16/2026 Phone: ⁽⁵⁾ 402.434.5660

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2026-27</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 bill, LB1021, would eliminate counties from receiving a one percent commission for their role in receiving funds, allocating funds, reporting funds, performance of various duties by treasurers and assessors for the nameplate capacity taxes. Counties have traditionally kept a commission on distributions of property taxes or excise taxes meant to replace property taxes, but that assumption was called into question after LB50 (2025). According to 2023 data, 36 counties reported revenue from the nameplate capacity tax:

Hall, Scotts Bluff, Perkins, Colfax, Burt, Brown, York, Cherry, Dodge, Logan, Seward, Cuming, Adams, Polk, Dawson, Keya Paha, Lancaster, Wheeler, Fillmore, Madison, Washington, Kimball, Platte, Gage, Franklin, Knox, Custer, Richardson, Jefferson, Boone, Saline, Dixon, Holt, Webster, Antelope, and Wayne

According to the Nebraska Department of Revenue's Property Assessment Division, the state total for nameplate capacity tax in 2024 was \$12,291,053. One percent of this figure (the commission on nameplate capacity tax) is \$122,910.53.

By passing LB1021 this could result in counties losing the 1% commission on nameplate capacity tax; in 2025, that would have been \$122,910.53.

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.....	_____	_____	_____	_____

