

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	4,750	0	0	4,750
FY2027-2028	0	4,750	0	0	4,750
FY2028-2029	0	4,750	0	0	4,750
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.

LB 1261 amends statute regarding electricity to prohibit a consumer-owned utility to use eminent domain to acquire a privately owned electric generation facility if the private facility meets the requirements outlined in the bill. One of these requirements is approval of the Power Review Board.

The Power Review Board believes this may result in an increased number of hearings to address this topic and estimates \$4,750 of increased cash expenditures for these hearing. This estimate appears reasonable.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 1261	AM:	AGENCY/POLT. SUB: Nebraska Power Review Board
REVIEWED BY: Joe Massey	DATE: 1/30/2026	PHONE: (402) 471-4181
COMMENTS: No basis to disagree with the Nebraska Power Review Board's assessment of fiscal impact from LB 1261		

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

2026

LB⁽¹⁾ 1261

FISCAL NOTE

State Agency OR Political Subdivision
Name: ⁽²⁾

Nebraska Power Review Board

Prepared by: ⁽³⁾ Tim Texel

Date Prepared: ⁽⁴⁾ January 29, 2026 **Phone:** ⁽⁵⁾ 402-471-2301

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

GENERAL FUNDS	FY 2026-27		FY 2027-28	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
CASH FUNDS	\$4,750		\$4,750	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$4,750		\$4,750	

Explanation of Estimate:

LB 1261 would prohibit consumer-owned utilities from exercising the power of eminent domain to acquire generation facilities owned by private entities, so long as certain criteria are met. One of the most significant impediments to private entities pursuing approval to construct generation facilities in Nebraska is that if the facility were approved by the Power Review Board, one of Nebraska's consumer-owned utilities could exercise its power of eminent domain to acquire the facility. Private developers have repeatedly told the Board that they cannot obtain financing for large projects because investors will not become involved in a project facing the prospect of eminent domain. There is also some dispute over whether existing Nebraska law allows private entities to build generation facilities in the state. LB 1261 would clarify that private entities can build at least these specific generation projects, and consumer-owned utilities cannot use eminent domain to acquire privately owned facilities described in (5)(a), so long as the private entity meets the criteria in (5)(a)(i) to (iv). Removing these two impediments would likely cause some private entities to pursue construction of generation facilities that meet these requirements. The Board believes LB 1261 would result in a relatively small number of applications and hearings. With the removal of the impediments the Board estimates there may be up to five applications and hearings, especially in the first two or three years after such impediments are removed. Power Review Board hearings, as a rough average, incur expenses of \$950 per hearing, mostly for costs associated with a court reporting service. If five applications and hearings were to occur due to the passage of LB 1261, the PRB would incur approximately \$4,750 in additional expenses.

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.....			\$4,750	\$4,750
... Travel.....				
Capital outlay.....				
Aid.....				
Capital				

improvements.....	_____	_____
TOTAL.....	_____	\$4,750