

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2015-16</b>		<b>FY 2016-17</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	28,000		See below	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	28,000		See below	

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

LB 106 would establish the Livestock Operation Siting and Expansion Act. The estimated fiscal impact includes:

**Development of siting matrix** – The Department of Agriculture would be directed to develop rules and regulations and a livestock operation siting matrix for use by county officials within one year of the effective date of the act. The director of the department would appoint a committee of experts to assist in the development and review of the matrix. Because the existing staff of the Department of Agriculture do not have technical expertise related to livestock facility siting, there is no basis to disagree with the agency estimate that it would be necessary to retain technical experts to develop the matrix in conjunction with the department. The agency estimates \$24,000 in costs to retain consulting assistance. The agency further estimates that approximately \$4,000 could be expended for various operating and travel costs related to the development of rules and regulations and the matrix. Because no funding source is specified in the bill, it is estimated that costs would come from the General Fund.

**Livestock Operation Siting Review Board** – LB 106 would create a Livestock Operating Siting Review Board in the Department of Agriculture. The board would, upon request, review county board decisions regarding livestock operation siting or expansion permit denials. The decisions of the board could be appealed to district court. Costs would depend upon the number of reviews filed by permit applicants, and board expenses may vary on a case-by-case basis. Variables that could impact costs include travel and meeting costs, the need for contractual technical expertise, and the need for legal expertise. The Department of Agriculture estimates that \$28,000 in funding would be needed to retain necessary legal expertise and provide for board costs, but expenses could vary significantly from year to year. Because no funding source for the board is specified in the bill, it is estimated that costs would come from the General Fund.

**County expenses** – LB 106 requires counties to use the matrix developed by the Department of Agriculture, and establishes decision-making procedures and deadlines for counties considering permits for a livestock operations. Any fiscal impact to counties would depend the complexity of permit applications, the staffing expertise available to the county board, and whether decisions were appealed to the Livestock Operation Siting Review Board.

<b>ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSES</b>			
LB: 106	AM:	AGENCY/POLT. SUB: Nebraska Department of Agriculture	
REVIEWED BY: Cindy Miserez		DATE: 02/06/2015	PHONE: 402-471-4174
COMMENTS: The Nebraska Department of Agriculture's estimate of fiscal impact for LB106 appears to be reasonable.			

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2015

LB<sup>(1)</sup> 106

FISCAL NOTE

State Agency OR Political Subdivision Name: <sup>(2)</sup>

Department of Agriculture

Prepared by: <sup>(3)</sup> Robert Storant

Date Prepared: <sup>(4)</sup> 02/04/15

Phone: <sup>(5)</sup> 402-471-6821

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2015-16</u>		<u>FY 2016-17</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>28,000</u>	<u>                    </u>	<u>28,000</u>	<u>                    </u>
CASH FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
FEDERAL FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
OTHER FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
TOTAL FUNDS	<u>28,000</u>	<u>                    </u>	<u>28,000</u>	<u>                    </u>

**Explanation of Estimate:**

LB 106 adopts the Livestock Operation Siting and Expansion Act and changes powers of counties related to certain zoning action. Within the first year, the Department shall adopt rules and regulations under the Act to:

- Develop an assessment matrix for counties to use to approve or disapprove a permit application for a livestock operation siting permit.
- Specify forms to be used by counties to receive an application for livestock operation siting permit.
- Specify information to be on an application form and other documentation needing to be part of the application.
- Specify information and documentation to be included in a record of decision making.
- Carry out duties of the Livestock Operation Fighting Review Board.

For purposes of developing an assessment matrix, the Department believes it will be necessary to contract for this service. It is estimated this cost would be approximately \$24,000. Cost to develop rules and regulations, possibly hold some meetings for public input, publishing costs, etc., are estimated to be \$4,000.

Section 6 of the bill creates a seven-member, Governor-appointed Livestock Operation Siting Review Board within the Department. The bill does not provide for expenses of the Board, but it is assumed there would be a cost for at least travel expenses of the Board. Depending on location of those appointed and the number of meetings held, this cost can range from \$4,000 to \$6,000. The fiscal note does not reflect any meeting costs during the first year. This would be an operating cost in future years.

After the development of the matrix and adoption of rules and regulations during the first year, persons can appeal county decisions to the Livestock Operation Siting Review Board. The bill provides decisions of Board can be appealed to district court. The fiscal note reflects using funding provided during the first year for a contractor specialist to build the matrix, in subsequent years to contract with a legal specialist to assist the Department and the Board for cases appealed to a district court.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2015-16</u>	<u>2016-17</u>
	<u>15-16</u>	<u>16-17</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....				
Operating.....			28,000	24,000
Travel.....				4,000
Capital outlay.....				
Aid.....				
Capital improvements.....				
<b>TOTAL.....</b>			<u>28,000</u>	<u>28,000</u>