

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

Revised to reflect the adoption of AM2292.

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2018-19</b>		<b>FY 2019-20</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	0 - 10,200	130,000 (see below)	0 - 10,200	130,000 (see below)
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	0 - 10,200	130,000 (see below)	0 - 10,200	130,000 (see below)

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

LB 1008 is amended to include the provisions of five bills that were heard by the Natural Resources Committee. The fiscal impact of each provision is discussed separately as follows.

Liquidated damages for wildlife taken in violation of the Game Law (LB1008) - Liquidated damages collected under this section of statute are deposited into the State Game Fund. The damage amount is increased 100% for elk, white tail deer, and certain mule deer; 400% for wild turkey; 67% for mountain sheep; and 900% for mountain lion, lynx, bobcat and river otter. The Game and Parks Commission indicates that over the last 10 years assessed liquidated damages have averaged \$130,127 per year, and since in most cases the damage amount doubles under LB 1008, it is possible that liquidated damages will also double. Based on this assumption, liquidated damage revenue deposited into the Game Cash Fund could increase by \$130,000 per year.

Compensation for Nebraska Oil and Gas Conservation Commission members (LB713) – Statutory language regarding the daily compensation (per diem) for members of the commission is changed from the current “fifty dollars per day” to “not more than four hundred dollars per day” for each day actually devoted to the business of the commission. The aggregate amount in any one year shall not exceed four thousand dollars per commissioner. The Nebraska Oil and Gas Conservation Commission estimates the provisions of AM2292 will cost \$10,200 per year. This estimate is based on the assumption that the daily per diem rate will be increased to the point that the \$4,000 annual limit will be reached for each commissioner. There is no basis to disagree with this estimate based on their assumption, however, it should be noted that AM2292 allows but does not require the per diem to be increased to the limits provided.

Public power industry and Nebraska Power Review Board ability to withhold competitive or proprietary information (LB822, AM2191) – AM2292 defines “public power industry” and “competitive information” and provides that the public power industry and the Nebraska Power Review Board may withhold competitive or proprietary information which would give an advantage to business competitors. No fiscal impact.

Power Review Board hearings (LB820) – AM2292 provides for hearings to be held by the Power Review Board in the event that a private electric supplier appeals the executive director’s determination that construction or installation of a privately developed renewable energy generation facility had commenced prior to submitting a required notice to the Board. The Power Review Board expects that any such hearings would be rare. Assuming only one or two such hearings occur, the Board could absorb the costs within currently budgeted resources.

Extension of sunset date for scrap tire program (LB762) – AM2292 would extend the time that grants up to \$1,500,000 annually be available from the Waste Reduction and Recycling Incentive Fund for the purpose of new scrap tire projects. Current law provides that the grants be available through June 30, 2019; AM2292 would extend the deadline to June 30, 2024. The extension would have no impact upon the revenues received into the fund or the overall state aid payments made from the fund by the Department of Environmental Quality.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 1008	AM: 2292	AGENCY/POLT. SUB: Nebraska Oil & Gas Conservation Commission
REVIEWED BY: Claire Oglesby	DATE: 3/19/18	PHONE: <a href="tel:(402)471-4174">(402) 471-4174</a>
COMMENTS: The Nebraska Oil & Gas Conservation Commission's statement of fiscal impact seems reasonable given the assumptions used. Current appropriations for the agency are adequate to support these increases in Commissioner's expenses.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 1008	AM: 2292	AGENCY/POLT. SUB: Nebraska Game and Parks Commission
REVIEWED BY: Claire Oglesby	DATE: 3/19/18	PHONE: <a href="tel:(402)471-4174">(402) 471-4174</a>
COMMENTS: Nebraska Game & Parks Commission's statement appears reasonable based on the assumptions provided.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 1008	AM: 2292	AGENCY/POLT. SUB: Power Review Board
REVIEWED BY: Claire Oglesby	DATE: 3/19/18	PHONE: <a href="tel:(402)471-4174">(402) 471-4174</a>
COMMENTS: The Power Review Board's statement appears reasonable based on the assumptions provided.		

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

**2018**

**LB<sup>(1)</sup> LB 1008 AM 2292**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Oil and Gas Conservation Commission

Prepared by: <sup>(3)</sup> William H. Sydow Date Prepared: <sup>(4)</sup> 14 March 2018 Phone: <sup>(5)</sup> (308) 254-6919

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2018-19</u>		<u>FY 2019-20</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
CASH FUNDS	<u>\$10,200</u>	<u>0</u>	<u>\$10,200</u>	<u>0</u>
FEDERAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
OTHER FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL FUNDS	<u>\$10,200</u>	<u>0</u>	<u>\$10,200</u>	<u>0</u>

Explanation of Estimate:

The Nebraska Oil and Gas Conservation Commission has the possibility of meeting one day during each month of the year. LB 1008 AM 2292 would increase the compensation paid to each of our three (3) Commissioners by an incremental amount of \$350 per meeting. Assuming that the Commission met every month with all Commissioners present, the calculated incremental annual expenditure would be \$12,600 for each fiscal year; however, LB 1008 AM 2292 limits their compensation to \$4,000 annually. As a result of the \$4,000 limit for each member, our Commissioners would not be able to be paid for two of the 12 potential hearing dates. The value of \$10,200 is the highest annual incremental expenditure possible under LB 1008 AM 2292.

The currently approved appropriation level is based upon \$50 per day.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2018-19</u>	<u>2019-20</u>
	<u>18-19</u>	<u>19-20</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
<u>Commissioner</u>	<u>3</u>	<u>3</u>	<u>\$10,200</u>	<u>\$10,200</u>
Benefits.....			<u>0</u>	<u>0</u>
Operating.....			<u>0</u>	<u>0</u>
Travel.....			<u>0</u>	<u>0</u>
Capital outlay.....			<u>0</u>	<u>0</u>
Aid.....			<u>0</u>	<u>0</u>
Capital improvements.....			<u>0</u>	<u>0</u>
TOTAL.....			<u>\$10,200</u>	<u>\$10,200</u>

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

2018

LB<sup>(1)</sup> AM2292 LB1008 Liquidated Damages under the Game Law

FISCAL NOTE

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Game and Parks Commission

Prepared by: <sup>(3)</sup> Patrick H. Cole Date Prepared: <sup>(4)</sup> 3/12/18 Phone: <sup>(5)</sup> 402-471-5523

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2018-19		FY 2019-20	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	See below	_____	See below
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

The proposed legislation as amended would increase the liquidated damages that could be assessed for the illegal take of some wildlife species. The following chart summarizes the proposed changes.

Species	Current	Proposed	\$ increase	% increase
Mountain Sheep	\$ 15,000.00	\$ 25,000.00	\$ 10,000.00	67%
>/=12pt ELK	\$ 5,000.00	\$ 10,000.00	\$ 5,000.00	100%
Other ELK	\$ 1,500.00	\$ 3,000.00	\$ 1,500.00	100%
>/= 8pt WT Deer	\$ 5,000.00	\$ 10,000.00	\$ 5,000.00	100%
Other WT Deer	\$ 1,000.00	\$ 2,000.00	\$ 1,000.00	100%
Antlerless WT Deer	\$ 250.00	\$ 500.00	\$ 250.00	100%
>/= 8pt Mule Deer	\$ 5,000.00	\$ 10,000.00	\$ 5,000.00	100%
Other Mule Deer	\$ 1,000.00	\$ 2,000.00	\$ 1,000.00	100%
Mountain Lion, Lynx, bobcat, river otter	\$ 500.00	\$ 5,000.00	\$ 4,500.00	900%
Wild Turkey	\$ 100.00	\$ 500.00	\$ 400.00	400%

The actual fiscal impact of the proposed changes will be dependent on the number of violations, convictions and assessed damages in any given year. Based on records of assessed liquidated damages over the past 10 years, an average year could see \$130,127 in assessed damages. Not all monies assessed are necessarily collected in the same year assessed. Assuming this average figure were attributable to species subject to the increase and most increases doubling the current rates, it could be possible to increase revenues by \$130,127 each year.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2018-19 EXPENDITURES	2019-20 EXPENDITURES
	18-19	19-20		
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

Additionally the amendment addresses several sections of Statute that are not anticipated to have a direct fiscal impact on the Nebraska Game and Parks Commission. These include:

Section 2, change in compensation for the Nebraska Oil and Gas Conservation Commission commissioners;

Section 3, changes to public records requests related to the public power industry and the Nebraska Power Review board;

Section 4, actions and penalties related to failure to give notice prior to a private electric supplier commencing construction of a privately developed renewable energy generation facility;

Section 5, extends the grant period for scrap tire recycling projects from June 30, 2019 to June 30, 2024.

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

**2018**

**LB<sup>(1)</sup> 1008, AM 2292**

**FISCAL NOTE**

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

Prepared by: <sup>(3)</sup> Tim Texel Date Prepared: <sup>(4)</sup> March 9, 2018 Phone: <sup>(5)</sup> 402-471-2301

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2018-19</u>		<u>FY 2019-20</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 anticipated fiscal impact. AM 2292 incorporates the provisions of several other bills into LB 1008. Sections 1 through 3 and 5 through 10 would have no fiscal impact on the Power Review Board. Section 4 of AM 2292 incorporates the provisions of LB 820 into LB 1008. As the Board stated in its fiscal note for LB 820, the Board does not anticipate a fiscal impact from section 4 of AM 2292. Section 4 provides for hearings in the event a private electric supplier appeals the executive director's determination that construction or installation of a privately developed renewable energy generation facility commenced prior to submitting a required notice to the Board. Unfortunately, since the executive director determined a violation had occurred, he could not serve as the hearing officer and an outside counsel might have to be retained as the hearing officer. However, the Board expects such hearings would be extremely rare. The Board believes almost all private developers would pay the relatively modest fine that would allow continuation of construction or operation activities instead of appealing the decision. If one or two such hearings were held, the Board believes the costs could be absorbed by the Board's existing budget.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2018-19 EXPENDITURES</u>	<u>2019-20 EXPENDITURES</u>
	<u>18-19</u>	<u>19-20</u>		
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____