

PREPARED BY: Clinton Verner
 DATE PREPARED: February 1, 2021
 PHONE: 402-471-2941

LB 507

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2021-22		FY 2022-23	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

LB507 would ban the use of treated seed corn in the production of agricultural ethyl alcohol if such use results in the generation of a byproduct that is deemed unsafe for livestock consumption or land application. This legislation would affect one facility which is likely to switch inputs as a result of this legislation. If operations at the plant were to cease, the Nebraska Ethanol Board estimates that the cost to their cash fund revenues would be \$3,000 per annum, however they determine that to be unlikely. We have no reason to dispute their estimate. The facility impacted by this legislation has aged out of the Ethanol Tax Credits program, which if applicable would impact general revenue though this is not the case. No fiscal impact to the General Fund.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 507	AM:	AGENCY/POLT. SUB: Nebraska Ethanol Board	
REVIEWED BY: Claire Oglesby 471-4174	DATE: 1/21/21	PHONE: (402)	
COMMENTS: Nebraska Ethanol Board's statement appears reasonable based on the assumptions provided.			

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

2021

LB⁽¹⁾ 507

FISCAL NOTE

State Agency OR Political Subdivision Name: Nebraska Ethanol Board

Prepared by: ⁽³⁾ Roger Berry Date Prepared: ⁽⁴⁾ 1/20/2021 Phone: ⁽⁵⁾ 402-471-2941

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2021-22</u>		<u>FY 2022-23</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	0.00	_____	0.00
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate: LB507 would have no fiscal impact on the Nebraska Ethanol Board in the case of the intent of this bill. The intent of this bill is simply to prohibit a practice that is being utilized by only one production facility in Nebraska. The assumption is that the production facility would simply switch inputs and continue to produce ethanol. If the actions of this bill resulted in the closure of this single production facility it would then result in a fiscal impact on revenue for the Nebraska Ethanol Board due to discontinued use of denaturant at this production facility. In the situation of a closure the fiscal impact on revenue would be \$3,000.00 for both fiscal years 2021-22 and 2022-23. The \$3000.00 fiscal impact is based on the actual revenue collected from this single production facility in the 2019-20 fiscal year.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22</u>	<u>2022-23</u>
	<u>21-22</u>	<u>22-23</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____