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 DATE PREPARED: March 25, 2021
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LB 507

Revision: 01

Updated to reflect Amendments through 3/25/21.

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	(See below)		(See below)	
CASH FUNDS		NGPC - \$25,000 NEB – (\$3,000)		NGPC - \$25,000 NEB – (\$3,000)
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	(See below)	\$22,000	(See below)	\$22,000

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

As amended, LB 507 contains provisions from the following previous legislation:

- LB190
- LB191
- LB395
- LB507

The provision from LB191 and 190 have no fiscal impact on the General Fund.

LB507

LB507 may affect one ethanol plant, should the plant cease operations the Nebraska Ethanol Board (NEB) estimates a decrease in cash fund revenues of \$3,000 per annum.

LB395

The provisions from LB395 would expand the ability of the Nebraska Game and Parks Commission (NGPC) Secretary (i.e. Director) to provide for a special depredation season or season extensions for antelope and elk via an order of designation. Currently the Director has the authority to establish the depredation season or season extensions for deer only. Fees for the special season depredation permits would be modified by establishing a different price for residents (not more than \$25) and non-residents (not more than \$75).

Additionally, the NGPC would be required to establish a landowner special depredation season permit for deer, antelope, and elk which would cost no more than \$10.

Revenue from the sale of the special depredation season permits is to be used for abatement of damage caused by deer, antelope, and elk.

Lastly, a “free-earned” landowner elk permit would be established and made available to individuals who meet criteria outlined in the bill.

Because there is difficulty in predicting the overall impact for the reasons outlined in the agency provided fiscal note, estimates were provided that demonstrate a potential revenue increase. The potential revenue increase amounts to \$25,000 each fiscal year. The estimate is based on a projected 20 depredation seasons for all species with 1,000 total permits being issued at a maximum resident rate of \$25 for each permit.

New expenditures for abatement of damage caused by deer, antelope, or elk are anticipated to mirror any increase in revenue and can be accommodated within the existing agency appropriation.

CONTINUED

LB190

Would prohibit transfers from the Water Sustainability Fund for purposes other than those statutorily allowed, except that transfers may be made to the Natural Resources Cash Fund or the General Fund, as previously authorized.

LB191

Redefines the term "elector" to include: For any irrigation district or proposed irrigation district which borders another state and comprises less than two thousand acres and in which one-half or more of the landowners, leaseholders, or entrymen of government lands are not residents of the State of Nebraska, any person who:

- Owns not less than fifteen acres of land within any such district;
- Is an entryman of government land within any such district; or
- Holds a leasehold estate in not less than forty acres of state 16 land within any such district for a period of not less than five years from the date at which such elector seeks to exercise the elective franchise.

No fiscal impact.

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

2021

LB⁽¹⁾ 507 AM256 adds special depreations seasons

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Game and Parks Commission

Prepared by: ⁽³⁾ Patrick H. Cole Date Prepared: ⁽⁴⁾ 2/24/2021 Phone: ⁽⁵⁾ (402) 471-5523

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	_____	\$25,000	_____	\$25,000
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	_____	\$25,000	_____	\$25,000

Explanation of Estimate: The proposed legislation amends the language of LB395 into LB507 and addresses other matters unrelated to the Commission. **For purposes of this fiscal note only those sections impacting the Commission will be addressed, namely Sections 1-4.** These sections allow the Commission’s secretary to provide for antelope and elk special deprecation seasons or season extensions by way of order designation. The secretary currently has this ability for deer only. The fee for special deprecation permits is modified to limit resident fees to not more than \$25 and nonresident versions to not more than \$75. Current rates don’t differentiate by residency and are not more than \$25.

A landowner special deprecation season permit is also established for deer, antelope and elk at a fee of not more than \$10 with qualifying land ownership/operational acreage requirements. The income derived from the sale of the special deprecation season permits is to be used for abatement of damage caused by deer, antelope or elk.

In addition to increasing the possible percentage of landowner antelope and elk permits from 50 to 75% of the regular permits it also allows for the issuance of one free-earned landowner elk permit. This permit is good for the taking of an either sex elk once a qualifying number of antlerless elk have been harvested on the landowners land. The agency would need to adopt and promulgate rules and regulation for the free-earned landowner elk permit.

The actual number of permits that might be issued under this proposed legislation is difficult to predict since the season will be based on need and may differ from year to year. Other challenges to predicting the impact are related to the size of the area included in the season, quota numbers established and the unlimited permits that will be made available to general and landowner hunters. Since these are new, the fiscal impact is thought to be revenue positive, but could be negative if the purchasers obtain these in lieu of a regular season permit rather than in addition to, and the reduction in some populations could decrease the number of regular season permits that would be available. Based on current deprecation issues, for the purpose of this fiscal note, it is projected that an estimated 20 deprecation seasons could be utilized for all species resulting in about 1,000 permits issued. Using the maximum resident fee of \$25 an estimated \$25,000 could be realized.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

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

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2021

LB⁽¹⁾ 507, AM256

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.

Due to this bill having an emergency clause there may be a revenue impact for this current 20-21 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.....	_____	_____	_____	_____

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

2021

LB⁽¹⁾ 507

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Department of Agriculture

Prepared by: ⁽³⁾ Patty Richard Date Prepared: ⁽⁴⁾ 1/29/2021 Phone: ⁽⁵⁾ 402-471-6821

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	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

No fiscal impact to the Agency

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.....	_____	_____	_____	_____