

PREPARED BY: Scott Danigole
 DATE PREPARED: January 17, 2024
 PHONE: 402-471-0055

LB 1069

Revision: 00

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2024-25		FY 2025-26	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	(\$1,840)		(\$1,840)	
CASH FUNDS		(\$33,800)		(\$33,800)
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	(\$1,840)	(\$33,800)	(\$1,840)	(\$33,800)

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

LB 1069 changes provisions related to the State Fire Marshal.

Multiple civil penalty increases are included in LB 1069. The agency does not anticipate a fiscal impact from these provisions. The bill also allows for a higher assessment rate for pipeline facilities, which could increase cash fund revenue.

Section 9 contains outright repeal of section 81-502.02. By repealing this section of statute, the State Fire Marshal will reduce the number of boilers being inspected by approximately 600 per year. Similarly, approximately 200 fewer install inspections will be conducted per year. Fewer inspections will result in a revenue decrease.

The Fire Marshal estimates the net reduction in cash fund revenue to be \$33,800 per year. There is no basis to disagree with this estimate. The Fire Marshal also estimates a General Fund expenditure decrease of \$1,840 per year. This expenditure is related to the number of burn permits that will need to be printed.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 1069	AM:	AGENCY/POLT. SUB: State Fire Marshal (021)	
REVIEWED BY: Joe Wilcox	DATE: 01/17/2024	PHONE: (402) 471-4178	
COMMENTS: The State Fire Marshal estimate of potential Fiscal Impact to the Agency from LB 1069 appears reasonable.			

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

2024

LB⁽¹⁾ 1069

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ State Fire Marshal Agency

Prepared by: ⁽³⁾ Regina Shields/Deb Hostetler Date Prepared: ⁽⁴⁾ 1/17/2024 Phone: ⁽⁵⁾ (402) 471-9477

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2024-25</u>		<u>FY 2025-26</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>-1,840</u>		<u>-1,840</u>	
CASH FUNDS		<u>-33,800</u>		<u>-33,800</u>
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u>-1,840</u>	<u>-33,800</u>	<u>-1,840</u>	<u>-33,800</u>

Explanation of Estimate:

LB 1069 will affect five different programs within the State Fire Marshal (SFM) Agency. Section three would eliminate the need for the Agency to print burn permits, a general fund annual cost savings of \$1,840.

Section 4, which deals with the Nebraska Natural Gas Pipeline Safety Act, would increase the minimum and maximum civil penalty amounts that may be imposed by the District Court when actions are brought in that venue. These penalty amounts have not been sought in the past so there is no anticipated fiscal impact from this change. Section 5, which also deals with the Nebraska Natural Gas Pipeline Safety Act, would allow the SFM Agency to set the annual pipeline meter assessment fee at a rate not to exceed \$.50 per meter .

Section Six, which affects a filing deadline for water-based fire protection system contractors, in not anticipated to have a measurable fiscal impact.

The changes in section 9 will result in approximately 600 fewer boilers being inspected on an annual basis and will also result in about 200 fewer new install inspections annually across the state. There is a \$25.00 inspection fee for new installs and a \$36.00 certification fee for the new installs. With 200 fewer new installs this would be \$12,200.00 reduction in revenue. It is unknown which of the 600 affected boilers are inspected by State Boiler Inspectors, so only the loss of the \$36.00 certification fee was calculable at \$21,600.00. This is a total reduction in Revenue of \$33,800 for Fund 22370. This reduction will be ongoing each year as the boilers and certifications will no longer be received.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25 EXPENDITURES</u>	<u>2025-26 EXPENDITURES</u>
	<u>24-25</u>	<u>25-26</u>		
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				