

Revised to include additional responses.

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>				
	<b>FY 2024-25</b>		<b>FY 2025-26</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS		See Below		
CASH FUNDS	See Below		See Below	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See Below	See Below	See Below	

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

LB29 would direct the Nebraska Department of Transportation - Division of Aeronautics to sell the state-owned 2014 King Air C90GTx. The bill directs the proceeds of the aircraft sale and the savings for not owning the plane to the General Fund for property tax relief aid. Additionally, LB29 would place in statute that the Governor and the Governor's staff would be required to only travel by aircraft when such state business relates to an immediate response to a natural disaster or military emergency. This bill contains an emergency clause. The proposed legislation removes language designating the proceeds from the sale of the 1982 Piper Cheyenne aircraft to be used for preventative maintenance for the King Air but does not designate the purpose of the remaining \$222,088.54 balance.

**Expenditures:**

The Division of Aeronautics would have a decrease in the Aeronautics Cash Fund expenditures in FY24/25 and beyond, as the division incurs expenses of approximately \$102,755 on an annual basis for the aircraft and includes hanger rent, insurance, aircraft software, pilot training, and contracted pilot when necessary. The revenue generated by aviation fuel tax and deposited into the Aeronautics Cash Fund is required by the Federal Aviation Administration (FAA) under 79 FR 66282 to be used only for a State Aviation Program or airport-related purposes when Federal assistance has been accepted. Additionally, the revenue from billable hourly rate services to all state government currently offsets some of these expenditures such as routine maintenance costs, landing fees. These savings from a decrease in expenditures would be considered a savings to the Aeronautics Cash Fund.

**Revenues:**

The Division of Aeronautics has estimated an increase in revenue for the selling the 2014 King Air C90GTx aircraft would be a one-time amount estimated at \$3,150,000 General Funds in FY24/25, less a five percent broker fee of approximately \$157,500. Actual revenues would vary based on the final sales price. The net revenue proceeds would then be directed back to the General Fund, as the plane was originally purchased with a one-time transfer of General Funds.

The Governor's office has estimated a minimal fiscal impact if LB66 were to pass. There is no basis to disagree with this.

Note: Other agencies such as the Department of Agriculture, Department of Economic Development, Lt. Governor's Office, Nebraska Attorney General, Nebraska Department of Health and Human Services, Nebraska Department of Transportation, Nebraska Department of Veteran Affairs, Nebraska Emergency Management, Nebraska Game and Parks Commission, Nebraska State College System, etc. like would also be affected by having to seek alternative means of timely transportation. These agencies were not asked for a fiscal impact, but would likely have a minimal impact.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 29	AM:	AGENCY/POLT. SUB: Governor's Office	
REVIEWED BY: Joe Massey	DATE: 7/30/2024	PHONE: (402) 471-4181	
COMMENTS: The Governor's Office assessment of minimal fiscal impact from LB 29 appears reasonable.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 29	AM:	AGENCY/POLT. SUB: Nebraska Department of Transportation	
REVIEWED BY: Joe Massey	DATE: 7/31/2024	PHONE: (402) 471-4181	
COMMENTS: No basis to dispute that there will be a fiscal impact from LB 29. Insufficient information to concur or dispute with the Nebraska Department of Transportation assessment of net fiscal impact. Future travel and lodging costs will need to be considered.			

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

2024

LB<sup>(1)</sup> 29

FISCAL NOTE

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Department of Transportation

Prepared by: <sup>(3)</sup> Jenessa Boynton Date Prepared: <sup>(4)</sup> 7/30/2024 Phone: <sup>(5)</sup> 402-479-4691

**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	_____	See below	_____	_____
CASH FUNDS	See below	_____	See below	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	See below	=====	See below	=====

**Explanation of Estimate:**

LB 29 would require the Department of Aeronautics to sell the aircraft purchased by the state in 2014, and any subsequently purchased replacement aircraft. The money from the sale of the aircraft shall be remitted to the State Treasurer for credit to the General Fund. The bill removes language directing the proceeds from the sale of the state's 1982 Piper Cheyenne aircraft to be retained for preventative maintenance funding for the new aircraft. The state shall not purchase or lease, rent, own, provide maintenance for, or contribute to maintenance of any aircraft that is or will be used by the Governor or the Governor's staff.

The estimated revenue for the selling the 2014 King Air C90GTx aircraft would be a one-time amount of approximately \$3,150,000 less a five percent broker fee of approximately \$157,500. The King Air provides services to all state government at a billable hourly rate to recover variable fuel and oil costs, routine maintenance costs, landing fees, and preventative maintenance reserves.

The Nebraska Department of Transportation incurs expenses of approximately \$102,755 on an annual basis for the aircraft and includes hanger rent, insurance, aircraft software, pilot training, and contracted pilot when necessary. The revenue generated by aviation fuel tax and deposited into the Aeronautics Cash Fund is required by the Federal Aviation Administration (FAA) under 79 FR 66282 to be used only for a State Aviation Program or airport-related purposes when Federal assistance has been accepted.

The proposed legislation removes language designating the proceeds from the sale of the 1982 Piper Cheyenne aircraft to be used for preventative maintenance for the King Air but does not designate the purpose of the remaining \$222,088.54 balance.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

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

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

**2024**

**LB<sup>(1)</sup> 29**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Governor's Office

Prepared by: <sup>(3)</sup> Kenny Zoeller Date Prepared: <sup>(4)</sup> 7/29/2024 Phone: <sup>(5)</sup> 402-471-2533

**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	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:  
LB29 has a de minimis impact on the Governor's Office.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

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