

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2023-24		FY 2024-25	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$10,078,000		\$10,131,000	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$10,078,000		\$10,131,000	

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

LB562 creates the E-15 Access Standard Act and sets administration of the act within the Nebraska Department of Agriculture (NDA).

Enacting date of the Act is 1/1/2024 and requires a retail dealer owning or operating a retail motor fuel site to advertise for sale and sell E-15 gasoline from at least 1/2 of all qualifying motor fuel dispensers located at the retail dealer’s retail motor fuel site. LB562 provides definitions and exceptions.

LB562 details inspection and reporting requirements by NDA. NDA’s provided estimate to administer the program appears reasonable.

LB562 increases the award amount to \$150,000 from \$30,000 to retail motor fuel sites converting to ethanol infrastructure under the Renewable Fuel Infrastructure Program which is administered by the Nebraska Department of Environment and Energy (NDEE).

The bill increases the amount of grants awarded per year from \$1 million to \$10 million, and sunsets the grants after calendar year 2026. There is not currently an appropriation for this program. As such, it is assumed a General Fund appropriation is needed to meet the statutory requirements related to the maximum amount of grants.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 562	AM:	AGENCY/POLT. SUB: Department of Agriculture	
REVIEWED BY: Jacob Leaver	DATE: 1/26/2023	PHONE: (402) 471-4173	
COMMENTS: Concur with the Department of Agriculture’s estimated fiscal impact to the agency as a result of LB 562.			

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2023

LB⁽¹⁾ 562

FISCAL NOTE

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

Prepared by: ⁽³⁾ Ashley Dempsey Date Prepared: ⁽⁴⁾ 1/23/2023 Phone: ⁽⁵⁾ 402-429-2487

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2023-24		FY 2024-25	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$78,000		\$131,100	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u>\$78,000</u>		<u>\$131,100</u>	

Explanation of Estimate:

The bill adopts the E-15 Access Standard Act, Sec. 4 (1) "Beginning January 1, 2024, a retail dealer owning or operating a retail motor fuel site shall advertise for sale and sell E-15 gasoline from at least fifty percent of all qualifying motor fuel dispensers located at the retail dealer's retail motor fuel site unless the retail dealer (a) has not installed, replace, or converted a motor fuel storage tank after January 1, 2024, and (b) beginning January 1, 2027, advertises for sale and sells E-15 gasoline from at least one qualifying motor fuel dispenser located at the retail dealer's retail motor fuel site."

The department permits 1,483 firms with fuel dispensers and approximately 110 currently sell E-15.

A 1.0 FTE Program Manager will be required to develop rules and regulations, certify professional retail motor fuel site installers, publish quarterly information to the website and implement the program. A 0.5 FTE Attorney II will be required to provide legal advice on the granting of waivers and issuing of administrative orders, as well as any enforcement actions taken under the Weights and Measures Act for violations related to the potential suspension or revocation of a permit issued under §89-187.01 as described in the bill.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2023-24	2024-25
	23-24	24-25	EXPENDITURES	EXPENDITURES
Agriculture Program Manager	1.0	1.0	\$53,000	\$55,650
Attorney II		0.5		\$30,450
Benefits.....			\$20,000	\$30,000
Operating.....			\$5,000	\$15,000
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			\$78,000	\$131,100