

**FISCAL NOTE**

**LEGISLATIVE FISCAL ANALYST ESTIMATE**

Revised to include agency comment.

<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	\$1,078,640		\$2,081,940	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$1,078,640</b>		<b>\$2,081,940</b>	

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

LB62 creates the Solar Panel Energy Property Tax Reduction Act which does the following:

- Declares findings;
- Sets administration of the act within the Department of Natural Resources;
- Allows for owners of real property in the state to apply for a grant to install solar panels on such real property;
- Describes the application form contents;
- Caps the amount of grants to \$2,000,000 annually with individual awards capped at \$5,000;
- Creates restrictions on grant awards; and
- Requires an annual report by the Department of Natural Resources on use of the act.

As this bill does not contain an emergency clause and will become enacted approximately halfway through the fiscal year, our office assumes \$1,000,000 in awards the first fiscal year and \$2,000,000 in grant awards from FY2025-26 onward.

The fiscal note as provided by the agency includes a reasonable administrative impact, though no state aid estimates. No basis to disagree with the administrative impacts as provided.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 62	AM:	AGENCY/POLT. SUB: Department of Revenue	
REVIEWED BY: Jacob Leaver	DATE: 8/1/2024	PHONE: (402) 471-4173	
COMMENTS: Concur with the Department of Revenue's estimate of no fiscal impact to the agency as a result of LB 62.			

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 62	AM:	AGENCY/POLT. SUB: Department of Natural Resources	
REVIEWED BY: Jacob Leaver	DATE: 8/2/2024	PHONE: (402) 471-4173	
COMMENTS: Concur with the Department of Natural Resources' estimated fiscal impact as a result of LB 62.			

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

**2024**

**LB<sup>(1)</sup> 62**

**FISCAL NOTE**

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

Prepared by: <sup>(3)</sup> Bob Robles Date Prepared: <sup>(4)</sup> 07/29/2024 Phone: <sup>(5)</sup> 402-741-1767

**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>78,640</u>	<u>                    </u>	<u>81,940</u>	<u>                    </u>
CASH FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
FEDERAL FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
OTHER FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
TOTAL FUNDS	<u>78,640</u>	<u>                    </u>	<u>81,940</u>	<u>                    </u>

**Explanation of Estimate:**

The department will need to add one full time employee to assist with the administration of the proposed legislation.

**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>
Federal Aid Administrator I (A19611)	<u>1</u>	<u>1</u>	<u>43,198</u>	<u>44,495</u>
Benefits.....			<u>33,442</u>	<u>34,445</u>
Operating.....			<u>2,000</u>	<u>3,000</u>
Travel.....			<u>0</u>	<u>0</u>
Capital outlay.....			<u>0</u>	<u>0</u>
Aid.....			<u>0</u>	<u>0</u>
Capital improvements.....			<u>0</u>	<u>0</u>
TOTAL.....			<u>78,640</u>	<u>81,940</u>

State Agency Estimate

State Agency Name: Department of Revenue Date Due LFO:
Approved by: James R. Kamm Date Prepared: 08/01/24 Phone: 471-5896

Table with 3 main columns for fiscal years: FY 2024-2025, FY 2025-2026, and FY 2026-2027. Each column has sub-columns for Expenditures and Revenue. Rows include General Funds, Cash Funds, Federal Funds, Other Funds, and Total Funds.

LB 62 creates the Solar Panel Energy Property Tax Reduction Act and states the Legislature finds the production of electricity from solar panels will reduce reliance on out-of-state energy, reduce the strain on energy needs when the electrical grid is operating at full capacity, and generate revenue that can be used to reduce the property tax burden.

LB 62 states a real property owner may apply to the Department of Natural Resources (Department) for a grant to install one or more solar panels on their property. The Department may award up to \$2 million in grants each fiscal year with no individual grants exceeding \$5,000. No individual person or location may receive a grant more than once. A person who fails to install solar panels with the grant money shall reimburse the Department and those funds will be remitted to the State General Fund.

The Department shall prepare a report each year containing the name and address of recipients, the amounts received, and total amounts awarded, number of applicants, estimated amount of electricity to be generated and the monetary value generated.

The operative date for LB 62 is three months after adjournment.

It is estimated that there will be no cost to the Department of Revenue to implement this bill.

Major Objects of Expenditure

Table with 8 columns: Class Code, Classification Title, 24-25 FTE, 25-26 FTE, 26-27 FTE, 24-25 Expenditures, 25-26 Expenditures, 26-27 Expenditures. Rows include Benefits, Operating Costs, Travel, Capital Outlay, Capital Improvements, and Total.