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DATE PREPARED:  
PHONE:

Scott Danigole  
November 08, 2011  
471-0055

**LB 6**

Revision: 00

# FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2011-12		FY 2012-13	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS	-			
TOTAL FUNDS				

\*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 6 is the Oil Pipeline Indemnity Bond Act.

Section 2 provides Legislative findings.

Section 3 provides definitions.

Section 4 requires a pipeline carrier who has been granted any controlling federal or state order, permit, or authority to file proof of indemnity bond in the amount of five hundred million dollars (\$500,000,000) with the Secretary of State at least ninety days prior to the construction, laying, relaying, operation and maintenance of the oil pipeline or the location of any plant or equipment necessary to operate the oil pipeline. Under section 3, "oil pipeline" is defined as a pipeline with an inner diameter larger than twenty-five inches.

The Secretary of State estimates no significant fiscal impact to fulfill the filing requirement. However, if other duties related to the bond are intended to be performed, there may be costs incurred.

No fiscal impact.

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# FISCAL NOTE LB6 Secretary of State

NOV 9 8 2011

LEGISLATIVE FISCAL

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Date Prepared	11/7/2011
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### Estimate Provided By State Agency or Political Subdivision

	FY 2011-2012		FY 2012-2013	
	Expenditures	Revenue	Expenditures	Revenue
General Funds				
Cash Funds				
Federal Funds				
Other Funds				
Total Funds	0	0	0	0

#### Explanation of Estimate:

LB 6 provides that a pipeline carrier who has been granted any controlling federal or state order, permit, or authority shall file proof of indemnity bond in the amount of five hundred million dollars with the Secretary of State.

Our reading of the bill is that it only requires the Secretary of State to file proof of the required bond and does not assign any other duties related to the bond to the Secretary of State. Simply filing proof of the required bond would have no significant fiscal impact on the Secretary of State's Office.

#### Major Objects of Expenditure

Position Title	Number of Positions		FY 2011-2012	FY 2012-2013
	FY 2011-2012	FY 2012-2013	Expenditures	Expenditures
			0	0