

PREPARED BY: Clinton Verner
 DATE PREPARED: January 19, 2023
 PHONE: 402-471-0056

LB 534

Revision: 00

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				
CASH FUNDS				
FEDERAL FUNDS	\$150,000,000			
OTHER FUNDS				
TOTAL FUNDS	\$150,000,000			

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

LB534 appropriates \$150,000,000 to the Nebraska Department of Environment and Energy for the purpose of issuing grants for small and rural communities and public wells to construct drinking water infrastructure where drinking water levels test above ten parts per million of nitrates.

No basis to disagree with the agency’s estimates of increased administrative burden, however LB534 is separate from LB1014 (2022) and does not carry restrictions on use of funds for administration. Treasury guidelines allow up to 15% of ARPA funds to be used on administration. During the 2022 session, the total ARPA State Coronavirus Fiscal Recovery Funds appropriated, or with intent language to be appropriated in the upcoming biennium, was \$1,037,454,413 out of the total \$1,040,000,000 allocated to the State of Nebraska.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 534	AM:	AGENCY/POLT. SUB: Department of Environment and Energy	
REVIEWED BY: Jacob Leaver	DATE: 1/24/2023	PHONE: (402) 471-4173	
COMMENTS: Concur with the Department of Environment and Energy’s estimated fiscal impact to the agency as a result of LB 534. The maximum funding available under the federal Coronavirus State Fiscal Recovery Fund is \$1.04 billion. Appropriation of these funds must be balanced in aggregate in order to avoid over obligation.			

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2023

LB⁽¹⁾ 534

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Department of Environment and Energy

Prepared by: ⁽³⁾ Kevin Stoner Date Prepared: ⁽⁴⁾ 1/23/2023 Phone: ⁽⁵⁾ 402-471-2186

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2023-24</u>		<u>FY 2024-25</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>90,780</u>	<u> </u>	<u> </u>	<u> </u>
CASH FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
FEDERAL FUNDS	<u>150,000,000</u>	<u> </u>	<u> </u>	<u> </u>
OTHER FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>150,090,780</u>	<u> </u>	<u> </u>	<u> </u>

Explanation of Estimate:

LB534 appropriates \$150,000,000 Federal Funds from the American Rescue Plan Act (ARPA) of 2021 to the Department of Environment and Energy (NDEE) in state fiscal year 2023-24 to provide grants to small and rural communities to construct drinking water infrastructure projects where drinking water test levels are above 10 parts per million of nitrate in drinking water pumped from public wells.

Proposed legislation is directed to provide funding for public water systems or public water wells. The agency anticipates that the award amounts would be larger and only one additional FTE would be needed.

NDEE requests to receive administrative fees from general funds to implement/administer this program. As stated in LB 1014 of the 107th Legislature, NDEE cannot utilize funding set aside from the ARPA allocation for administrative expenses that is held within the Military Department.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2023-24</u>	<u>2024-25</u>
	<u>23-24</u>	<u>24-25</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Environmental Specialist II	<u>1</u>	<u> </u>	<u>50,221</u>	<u> </u>
Benefits.....	<u> </u>	<u> </u>	<u>16,573</u>	<u> </u>
Operating.....	<u> </u>	<u> </u>	<u>23,986</u>	<u> </u>
Travel.....	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Capital outlay.....	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Aid.....	<u> </u>	<u> </u>	<u>150,000,000</u>	<u> </u>
Capital improvements.....	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL.....	<u> </u>	<u> </u>	<u>150,090,780</u>	<u> </u>