

Revised due to adoption of amendments on General and Select Files

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2014-15</b>		<b>FY 2015-16</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS		See Below		See Below
CASH FUNDS		See Below		See Below
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		See Below		See Below

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

LB 402, as amended by AM 684, AM 740, and AM 1237, amends Nebraska Revised Statutes dealing with community-based energy development (C-BED) projects.

The bill amends Section 70-1903 to change the definition of project to also include, in addition to wind, solar, biomass or landfill gas as a fuel source and therefore, qualify as a C-BED project; changes to 25% the amount of payments to qualified owners or the local community; strikes the definition of debt financing; changes the gross definition of gross power purchase agreement payments to the first twenty years of the agreement and not the life of the agreement; provides that payments to the local community would now include construction costs, lease and easement payments, construction material payments, and parts payments; and now allows a corporation to be a qualified owner and removes the restrictions as to how much of the project may be owned by a single owner.

Section 70-1904 is amended to strike language referring to qualified owners working with an equity partner and the transfer of a C-BED project to a person other than a qualified owner.

Section 77-2704.57 is amended to add the new definitions in Section 70-1903 regarding gross power agreement payments and qualified owner; strikes the language referring to the ownership structure, the local resolution of support, debt financing, qualified owner, percentage of ownership, the definition of new wind energy project, gross power purchase agreement payments, and the payments to the local community.

**NOTE:** As of the date of this revision no action has been taken on the federal wind energy Production Tax Credit. Assuming Congress does not re-authorize the credit, the fiscal impact of LB 402 is likely to be substantially less than what is indicated in the original (Rev02) fiscal note. In addition, with the passage of LB 104 (2013) which allows wind energy production facilities to utilize the Nebraska Advantage Act, it is our assumption that only smaller projects (less than 25 megawatts) would utilize the provisions of LB 402. We believe the fiscal impact of LB 402, as amended, to be as follows:

Fiscal Year:	General Fund:	State Highway Capital Improvement Fund (Cash):	Highway Allocation Fund (Local Cash):	Total:
2014-15:	(\$1,060,000)	(\$42,000)	(\$6,600)	(\$1,108,600)
2015-16:	(\$ 20,000)	(\$ 700)	(\$ 160)	(\$ 20,860)