

PREPARED BY: Scott Danigole
 DATE PREPARED: February 04, 2015
 PHONE: 471-0055

LB 581

Revision: 00

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2015-16		FY 2016-17	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	1,000,000			
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	1,000,000			

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

LB 581 is the Nebraska Clean-burning Motor Fuel Development Act.

Section 3 requires the State Energy Office to offer a rebate for qualified clean-burning motor fuel property.

Section 4 creates the Clean-burning Motor Fuel Development Fund. Section 4(3) states the Legislature's intent to appropriate one million dollars (\$1,000,000) from the General Fund to the Clean-burning Motor Fuel Development Fund for fiscal year 2015-16.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 581	AM:	AGENCY/POLT. SUB: Nebraska Energy Office	
REVIEWED BY: Cindy Miserez		DATE: 02/04/2015	PHONE: 402-471-4174
COMMENTS: I concur with the Nebraska Energy Office's statement of fiscal impact for LB581.			

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

2015

LB⁽¹⁾ 581

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Energy Office

Nebraska Energy Office

Prepared by: ⁽³⁾ Danielle Jensen

Date Prepared: ⁽⁴⁾ 2/2/2015

Phone: ⁽⁵⁾ 471-3360

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2015-16</u>		<u>FY 2016-17</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>1,000,000</u>	<u>0</u>	<u></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>1,000,000</u>	<u>0</u>	<u>0</u>	<u>0</u>

Explanation of Estimate:

LB 581 allocates \$1,000,000 to the Energy Office to provide rebates and incentives under the Nebraska Clean-burning Motor Fuel Development Act.

In 2010, the Energy Office ran an appliance rebate program under the *American Recovery and Reinvestment Act*. Under this rebate program, over \$1.6 million in rebates were issued, and more than \$150,000, or close to 10% of the amount of rebates, was spent on operating costs. Operating costs included Energy Office personnel and the use of a rebate-processing firm. Since this rebate program will be the first in Nebraska for this type of auto conversion, the number of rebates per year is undeterminable. The number of rebates to process will determine whether an additional FTE is needed or if the rebate-processing firm can meet the program needs. Operating costs include the development of application forms and procedures, a database to maintain records of mechanics authorized to do this work, a database to maintain the rebate information, printing of forms, and a staff person to conduct periodic or regular checks on work completed to ensure compliance with the specifications of the rebate program.

Therefore, the Energy Office estimates it would need \$100,000, or 10% of the amount allocated, to administer a rebate program. The amount would need to be appropriated from the \$1,000,000 allocation from General Funds. The Energy Office does not have unallocated funding to cover the operating costs of this program.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2015-16 EXPENDITURES</u>	<u>2016-17 EXPENDITURES</u>
	<u>15-16</u>	<u>16-17</u>		
	<u></u>	<u></u>	<u></u>	<u></u>
Benefits.....	<u></u>	<u></u>	<u></u>	<u></u>
Operating.....	<u></u>	<u></u>	<u>100,000</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>900,000</u>	<u></u>
Capital improvements.....	<u></u>	<u></u>	<u></u>	<u></u>
TOTAL.....	<u></u>	<u></u>	<u>\$1,000,000</u>	<u></u>