PREPARED BY: DATE PREPARED: PHONE: John Wiemer February 19, 2024 402-471-0051

LB 1002

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)						
	FY 2024-25		FY 2025-26			
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE		
GENERAL FUNDS				(\$1,439,000)		
CASH FUNDS						
FEDERAL FUNDS						
OTHER FUNDS						
TOTAL FUNDS				(\$1,439,000)		

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

LB 1002 would make changes to the Nebraska Biodiesel Tax Credit Act. The bill would change the limit for the credits from \$1 million to \$5 million for each calendar year starting in 2025. The bill would also change the sunset date from December 31, 2028 to December 31, 2029.

The Department of Revenue estimates the following decrease to General Fund revenues as a result of this bill:

- FY 24-25: \$0
- FY 25-26: (\$1,439,000)
- FY 26-27: (\$1,561,000)
- FY 27-28: (\$1,689,000)
- FY 28-29: (\$1,824,000)

The DOR estimates minimal costs as a result of the bill.

There is no basis to disagree with these estimates.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE					
LB: 1002	AM:	AGENCY/POLT. SUB: Departme	AGENCY/POLT. SUB: Department of Revenue		
REVIEWED B	3Y: Neil Sullivan	DATE: 2/16/2024	PHONE: (402) 471-4179		
COMMENTS: The Department of Revenue assessment of fiscal impact from LB 1002 appears reasonable.					

LB 1002 Fiscal Note 2024

State Agency Estimate						
State Agency Name: Department o	f Revenue				Date Due LFO:	
Approved by: James R. Kamm Da		Date Prepared:	d: 02/15/2024 Phone: 471-5896			
	FY 2024-2025		FY 2025-2026		FY 2026-2027	
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue
General Funds		\$ 0		\$ (1,439,000)		\$ (1,561,000)
Cash Funds						
Federal Funds						
Other Funds						
Total Funds		\$ 0		\$ (1,439,000)		\$ (1,561,000)

LB 1002 increases the credits limit for the Biodiesel Tax Credit Act from \$1 million to \$5 million per calendar year beginning 2025. The bill also extends the sunset date an additional year, to December 31, 2029.

The Department of Revenue (DOR) estimates that LB 1002 will have the following impact to the General Fund revenues:

FY2025-26	(\$1,439,000)
FY2026-27	(\$1,561,000)
FY2027-28	(\$1,689,000)
FY2028-29	(\$1,824,000)

It is estimated that there will be no cost to the DOR to implement LB 1002.

Major Objects of Expenditure							
Class Code	Classification Title	24-25 <u>FTE</u>	25-26 <u>FTE</u>	26-27 <u>FTE</u>	24-25 Expenditures	25-26 Expenditures	26-27 Expenditures
Benefits							
Operating Costs							
Capital Outlay							
Total							