

PREPARED BY: Jeanne Glenn
 DATE PREPARED: April 30, 2013
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LB 517

Revision: 02

Revised based upon amendments adopted

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2013-14		FY 2014-15	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	See below			
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below			

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

LB 517 as amended would establish the Water Funding Task Force. The task force would be administratively located in the Department of Natural Resources. The task force would be directed to conduct research and develop a report by December 31, 2013 that provides: 1) Recommendations for a strategic plan which prioritizes programs, projects and activities in need of funding; 2) Recommendations for ranking criteria to identify funding priorities; 3) Recommendations for legislation to provide a permanent funding source, the amount of funding and the timing of funding; and 4) Recommendations for statutory changes regarding regulatory structures. The task force would terminate on December 31, 2013.

It is estimated that the Department of Natural Resources would require up to \$1,000,000 General Funds to pay for task force expenses, meeting costs and to hire the necessary experts and consultants to assist in the development of the report. It is estimated that task force and meeting expenses will cost approximately \$110,000 to \$120,000 and the remainder of the funding would be available for consultant expenses. LB 517 provides that funds appropriated for the study shall be accounted for in a separate budget subprogram, and that no later than February 1, 2014, the Department of Natural Resources would notify the Appropriations and Natural Resources Committees of the Legislature regarding any unexpended and unobligated funds remaining in the budget subprogram.

Because LB 517 carries the emergency clause, the appropriation of \$1,000,000 General Funds would be carried out in FY12-13 and reappropriated into FY13-14.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES		
LB: 517	AM: 1048	AGENCY/POLT. SUB: Nebraska Department of Natural Resources
REVIEWED BY: Cindy Miserez	DATE: 4/30/2013	PHONE: 402-471-4174
COMMENTS: The Nebraska Department of Natural Resource's analysis of AM1048 to LB517 appears reasonable. The costs shown are for a specific number of meetings and will increase if additional meetings occur. It is not clear what contracts or additional expense the task force will propose in order to achieve its objectives. NDNR states they will evaluate requests for additional expenditures in light of the remaining available appropriation for AM1048 to LB517. AM1048 contains the emergency clause. If meetings begin prior to June 30, 2013, appropriation will be needed in FY2012-13 with carry-over to FY2013-14.		

LB⁽¹⁾ 517 AM1048

FISCAL NOTE

State Agency OR Political Subdivision Name: Natural Resources
(2)

Prepared by: Ron Theis Date Prepared: April 24, 2013 Phone: 402 471 0577
(3) (4) (5)

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2013-14</u>		<u>FY 2014-15</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>109,000</u>	<u> </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>109,000</u>	<u> </u>	<u> </u>	<u> </u>

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

The amendment creates the Water Funding Task Force and provides that the Task Force is within DNR for administrative and budgetary purposes, but with independent decision making for expenditures to carry out its mission.

Existing DNR human resources, financial and administrative support resources will be able to handle the added requirements of general administration and meeting logistics work for the Task Force and the associated contracting. Task Force operational costs, travel costs, meeting room costs, etc., are however an additional expenditure and are estimated in the following Notes & Assumptions.

The amendment provides that Task Force members shall be reimbursed for actual and necessary expenses in carrying out their duties. Therefore travel expenses of task force members are to be reimbursed. The sixteen Natural Resources Commission members appointed to the Task force as Commissioners are entitled to a per diem of \$50 under Commission rules. Assuming an average of one meeting per month, and extrapolating costs based on the travel and per diem costs incurred by Nebraska Natural Resources Commission members for a representative 2-day meeting, travel expenses were estimated as follows:

- 10 meetings x 28 task force members x \$ 310 = \$ 86,800 (rounded up to \$ 90,000)
 - Commission travel costs for November 2012 meeting = \$ 3,406
 - Number of Commissioners in attendance = 11
 - Average expenses per commissioner = \$ 310

- Per diem payments for NRC members (16 members x 10 meetings x 2days = \$16,000)

- Conference room facilities to accommodate the task force and public are estimated at \$150 per day:
 - 10 meetings @ 2 days x \$150 = \$3,000

Remaining funds would be designated for contracts. DNR will administer contracts required by the Task Force according to limits of available appropriations. It is assumed that all expenditures for such work would be incurred after June 30, 2013.

MAJOR OBJECTS OF EXPENDITURE				
Personal Services:				
POSITION TITLE	NUMBER OF POSITIONS		2013-14	2014-15
	13-14	14-15	EXPENDITURES	EXPENDITURES
Natural Resources Commission Members	16		16,000	
Benefits.....				
Operating.....			3,000	
Travel.....			90,000	
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			109,000	