

PREPARED BY: Scott Danigole
 DATE PREPARED: February 07, 2011
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LB 340

Revision: 00

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2011-12		FY 2012-13	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	\$517,238	\$517,238	\$517,238	\$517,238
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$517,238	\$517,238	\$517,238	\$517,238

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 340 is the Hazardous Liquid Pipeline Notification Act.

The purpose of the act, as stated in Section 3, is to ensure that in making decisions to place pipelines through the state of Nebraska for the transportation of hazardous liquid, the following items are taken into consideration: protection of the state's natural resources, socioeconomic impacts, informing the public an opportunity for public input.

Section 4 of the bill requires pipeline carriers to file an application with the Public Service Commission to engage in owning, operating or managing a pipeline or part of a pipeline for the transportation of hazardous liquid in the state.

Section 5 requires the Commission to hold public hearings to receive input from the public at locations as close as practicable to the proposed route of the pipeline. After the hearings, the Commission shall enter an order granting or denying the application.

Section 7 requires the Commission to asses an applicant under the Act the costs and expenses reasonably attributable to the processing and review of the application, including both direct and indirect expenses incurred by the commission and the costs of any consultants employed to provide recommendations or otherwise assist the Commission in the review of the application.

Section 8 provides pipeline carriers whose applications are granted the right of eminent domain to acquire rights-of-way.

The Public Service Commission estimates the need for a part-time FTE and related costs to administer the program. The Commission further estimates \$500,000 per year to address costs associated with hydrologists, geologists, pipeline safety engineers, economists, accountants, and attorneys. There is no basis to disagree with the estimates.

The bill provides for the Public Service Commission Pipeline Regulation Fund to be utilized for the bill's costs.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Cindy Miserez	2/7/11	PHONE 471-2526
COMMENTS			
PUBLIC SERVICE COMMISSION – Expenditures overlap with LB 578 and LB 629. I have no basis to disagree with PSC's statement.			