

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *</b>				
	<b>FY 2011-12</b>		<b>FY 2012-13</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS				
CASH FUNDS		\$3,189,550		\$3,195,550
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>		\$3,189,550		\$3,195,550

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

LB 429 amends Nebraska Revised Statutes Sections 66-486 and 66-6,113, regarding the commissions for collecting the motor vehicle fuel tax, the aircraft fuels tax, the diesel fuel tax, and compressed fuel tax.

The bill would reduce the commissions allowed motor fuel licensees who collect and remit the various motor fuels tax.

For the motor vehicle fuels tax and the aircraft fuels tax, current law allows a commission of 5% of the first \$5,000 collected and 2.5% on all amounts in excess thereof remitted each reporting period.

For the diesel fuel tax and the compressed fuels tax, current law allows a commission of 2% of the first \$5,000 collected and 0.5% on all amounts in excess thereof remitted each reporting period.

LB 429 changes the commission for all groups of licensees and products to 1% of any amounts collected and remitted not to exceed \$5,000 per reporting period, per tax category.

The revenue from the motor vehicle fuel tax, the diesel fuel tax, and compressed fuel tax is credited to the Highway Trust Fund. The revenue from the aircraft fuels tax is remitted to the Aircraft Fuel Tax Fund and then credited to the Department of Aeronautics Cash Fund.

The Department of Revenue estimates that LB 429 will increase revenue as follows:

	<u>Total Increase:</u>	<u>Highway Trust Fund:</u>	<u>Dept. of Aeronautics Cash Fund:</u>
FY2011-12:	\$4,239,300	\$4,199,000	\$40,300
FY2012-13:	\$4,247,400	\$4,207,000	\$40,300
FY2013-14:	\$4,252,400	\$4,212,000	\$40,400
FY2014-15:	\$4,248,400	\$4,208,000	\$40,400

The Highway Trust Fund is then allocated as follows:

	<u>Highway Cash Fund:</u>	<u>Highway Allocation Fund:</u>
FY2011-12:	\$3,149,250	\$1,049,750
FY2012-13:	\$3,155,250	\$1,051,750
FY2013-14:	\$3,189,300	\$1,022,700
FY2014-15:	\$3,156,000	\$1,052,000

The Highway Cash Fund goes to the Department of Roads and the Highway Allocation Fund goes to counties and cities.

The Department indicates the costs to implement LB 429 to be minimal.

There is no basis to disagree with the Department of Revenue's estimate of fiscal impact or cost.

DEPARTMENT OF ADMINISTRATIVE SERVICES

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COMMENTS					
DEPARTMENT OF REVENUE: Concur with Department of Revenue's analysis and estimate of increased cash fund revenue fund impact.					
DEPARTMENT OF ROADS: Concur with Department of Roads' analysis and estimate of increased cash fund revenue fiscal impact.					