

PREPARED BY: Sandy Sostad
 DATE PREPARED: February 14, 2019
 PHONE: 471-0054

LB 366

Revision: 00

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2019-20		FY 2020-21	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
HIGHWAY TRUST FUND		\$6,250		\$21,250
TOTAL FUNDS		\$6,250		\$21,250

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

LB 366 increases the registration fee for motor vehicles powered by an alternative fuel. The current registration fee is \$75. The fee is increased to: \$85 for 2020; \$95 for 2021; \$105 for 2022; \$115 for 2023; and, \$125 for 2024 and thereafter. The fees are remitted to the Highway Trust Fund. Revenue from the Highway Trust Fund is allocated to the Department of Roads Cash Fund (53 1/3%), cities (23 1/3%) and counties (23 1/3%).

Expenditures: The Department of Motor Vehicles (DMV) indicates the bill will require about 60 hours of staff time for programming and testing to establish the increased fees for alternative fueled vehicles. The workload can be handled with existing staff and resources of the department.

Revenue: DMV provided estimates of the number of alternative fueled vehicles. The department estimated that 1,250 alternative fueled vehicles will be registered in 2020 and 1,500 will be registered in 2021. Using these estimates, a \$10 increase in the fee for half of a fiscal year increases cash fund revenue for the Highway Trust Fund by \$6,250 in FY2019-20. In FY2020-21, the fee increases will provide an estimated \$21,500 increase in revenue.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 366	AM:	AGENCY/POLT. SUB: Department of Motor Vehicles	
REVIEWED BY: Lee Will	DATE: 1/25/2019	PHONE: (402) 471-4175	
COMMENTS: Concur with the Department of Motor Vehicles' assessment of additional revenue for the Highway Trust Fund.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 366	AM:	AGENCY/POLT. SUB: Nebraska Department of Transportation	
REVIEWED BY: Lucas Martin	DATE: 2/25/2019	PHONE: (402) 471-4181	
COMMENTS: The Nebraska Department of Transportation's assessment of fiscal impact seems reasonable given the assumptions used.			

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

2019

LB⁽¹⁾ 366

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Motor Vehicles

Prepared by: ⁽³⁾ Bart Moore Date Prepared: ⁽⁴⁾ _____ Phone: ⁽⁵⁾ 402-471-3902

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2019-20</u>		<u>FY 2020-21</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	6,250	_____	21,250
TOTAL FUNDS	=====	6,250	=====	21,250

Explanation of Estimate:

LB366 would require 60 hours of DMV staff time for programming and testing. These costs will be absorbed within existing appropriation.

Revenue will be based on the following information: 2017 – 405 vehicles registered; 2018 – 772 vehicles registered; Projections are as follows: 2019 – 1000 vehicles, 2020 – 1250 vehicles, 2021 – 1500 vehicles. Revenue is shown based on 0\$ increase 2019, \$10 increase 2020, and \$20 increase in 2021, and based on calendar year fees noted in the bill.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2019-20</u>	<u>2020-21</u>
	<u>19-20</u>	<u>20-21</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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

2019

LB⁽¹⁾ 366

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Department of Transportation

Prepared by: ⁽³⁾ Becky Fleming Date Prepared: ⁽⁴⁾ 2/21/19 Phone: ⁽⁵⁾ 402-479-4692

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2019-20		FY 2020-21	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS		\$9,263.42		\$44,583.88
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		\$9,263.42		\$44,583.88

Explanation of Estimate:

LB 366 changes the registration fee for alternative fuel-powered motor vehicles. The purpose of the alternative fuel registration fee is to assess a highway user fee in lieu of and to partially offset the decrease in motor fuel tax from these vehicles. The fees change to eight-five dollars in 2020, ninety-five dollars in 2021, one hundred five dollars in 2022, one hundred fifteen dollars in 2023 and one hundred twenty-five dollars in 2024. The estimated fiscal impact assumes a steady growth in alternative fuel-powered vehicles that is consistent with recent trend growth.

The registrations fees are remitted to the State Treasurer for credit to the Highway Trust Fund.

The Dept. of Transportation will have an increase in revenue as follows:

Year	Fee	Estimated Increase in to Trust Fund	Estimated Increase to NDOT	Estimated Increase to Cities/Counties
2019	\$75.00	\$0.00	\$0.00	\$0.00
2020	\$85.00	\$17,370.00	\$9,263.42	\$8,106.58
2021	\$95.00	\$83,600.00	\$44,583.88	\$39,016.12
2022	\$105.00	\$210,990.00	\$112,520.97	\$98,469.03
2023	\$115.00	\$443,520.00	\$236,529.22	\$206,990.78
2024	\$125.00	\$832,250.00	\$443,838.93	\$388,411.08

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2019-20	2020-21
	19-20	20-21	EXPENDITURES	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				

Capital improvements.....

TOTAL.....

