

PREPARED BY: Clinton Verner
 DATE PREPARED: January 28, 2022
 PHONE: 402-471-0056

LB 1081

Revision: 00

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2022-23		FY 2023-24	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

LB1081 provides intent to appropriate \$200,000,000 from Federal Funds related to the American Rescue Plan Act to the Department of Natural Resources for the purpose of awarding grants for water sourcing projects. LB1081 defines eligible grantees as municipalities that utilize more than 30 million gallons/day.

Impact on ARPA funds would be based on amounts appropriated. No basis to disagree with the agency’s estimate of one grant administrator being required. No fiscal impact.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 1081	AM:	AGENCY/POLT. SUB: Department of Natural Resources	
REVIEWED BY: Jacob Leaver	DATE: 1/28/2022	PHONE: (402) 471-4173	
COMMENTS: Concur with the Department of Natural Resource’s no fiscal impact the agency as a result of LB 1081. Section 1 states “It is the intent of the Legislature to appropriate two hundred million dollars from Federal Funds...” which would show the bill has having no fiscal impact. Concur with the Department’s estimates on staff needed to fund this program if the full amount is appropriated. The maximum funding available under the federal Coronavirus State Fiscal Recovery Fund is \$1.04 billion, of which only \$520 million is currently available. Appropriation of these funds must be balanced in aggregate in order to avoid over obligation. Technical Note: The language in LB 1081 does not provide the level of detail necessary to enact the appropriation intended.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 1081	AM:	AGENCY/POLT. SUB: Department of Environment and Energy	
REVIEWED BY: Jacob Leaver	DATE: 1/25/2022	PHONE: (402) 471-4173	
COMMENTS: No basis to dispute with the Department of Environment and Energy’s no fiscal impact to the agency as a result of LB 1081.			

LB⁽¹⁾ LB1081

FISCAL NOTE

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

Prepared by: ⁽³⁾ Ron Theis Date Prepared: ⁽⁴⁾ Jan. 19, 2021 Phone: ⁽⁵⁾ 402 471 0577

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2022-23</u>		<u>FY 2023-24</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

There is no fiscal impact from Sec. 1 of the bill as it simply states Legislative intent for a single appropriation of \$200M federal funds from ARPA for FY21-22 for the purposes Sec. 2 of the bill. Should the appropriation be granted, the fiscal impact is stated below.

Sec. 2 requires the Department to provide a grant program for the design, construction, and implementation of water transport infrastructure, and provides some eligibility and fund use criteria. The bill requires the Department to establish procedures and criteria for awarding grants for the design, construction, and implementation of additional municipal water supply projects. Eligible projects include, but are not limited to, costs for a water treatment plant, land acquisition, permitting, a wellfield, pumping, and transportation of water over twenty-five miles for the purpose of providing potable water to the municipality.

The bill is silent on funding sources of necessary administrative costs so the agency assumes federal funds may be used for its administrative costs. The agency assumes grants will be contractual agreements and disbursements will be made on a reimbursement basis to grantee. 1 FTE, Grant Administrator, should be needed for the duration of the project.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2022-23</u>	<u>2023-24</u>
	<u>22-23</u>	<u>23-24</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Grant Administrator	1	1	\$77,582	\$79,910
Benefits.....			\$34,126	\$35,150
Operating.....			\$6,500	\$6,630
Travel.....			\$5,150	\$5,305
Capital outlay.....				
Aid.....			\$99,876,642	\$99,873,005
Capital improvements.....				
TOTAL.....			\$100,000,000	\$100,000,000

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

2022

LB⁽¹⁾ 1081

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Department of Environment and Energy

Prepared by: ⁽³⁾ Kevin Stoner Date Prepared: ⁽⁴⁾ January 24, 2022 Phone: ⁽⁵⁾ 402 471-4214

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2022-23</u>		<u>FY 2023-24</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

LB1081 appropriates \$200 million to the DNR to award grants to a municipality that utilizes more than thirty million gallons per day of water to be used for the design, construction, and implementation of additional water supply projects. Some of these projects may require a permit from NDEE, but it is anticipated NDEE's current staffing would be able to process these additional permit applications. NDEE may have a slight increase in revenue with permit application fees, but at this time it is undeterminable on the number of permit applications that may be received.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2022-23</u>	<u>2023-24</u>
	<u>22-23</u>	<u>23-24</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____