

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2024-25		FY 2025-26	
	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.

LB 1218 adds definitions connected to electric and hybrid vehicles.

The bill would also establish an excise tax that would begin on January 1, 2028 of three cents per kilowatt hour on the electric energy used to charge the battery of a motor vehicle at a commercial electric vehicle charging station.

The bill would add to provisions and definitions connected to the Nebraska Power Review Board regarding electric vehicles and the installation requirements of commercial electric vehicle charging stations.

The bill would add a right of refusal process for constructing direct-current, fast-charging stations.

The bill would add a sales and use tax exemption, operative on January 1, 2025, for electric energy when stored, used, or consumed by a motor vehicle and the electricity was subject to the excise tax described above.

Any tax that could be collected and sales and use tax exemptions under this bill, would start to be collected and be exempted in 2028. The Department of Revenue (DOR) does note that the excise tax is levied at the consumer level and there is no requirement for charging station operators to be licensed by the DOR and report the tax. The DOR estimates that this bill would have minimal impact on General Fund revenues.

The DOR also notes costs in FY 26-27 as a result of this bill for a one-time development fee of \$5,500 to develop an online form and for an Information Technology Applications Developer/Senior to modify internal computer applications. The total cost is estimated to be \$116,900.

There is no basis to disagree with these estimates by the DOR.

The Nebraska Power Review Board estimates no fiscal impact to it as the Board would not have an enforcement role under this bill. There is no basis to disagree with this estimate.

The Department of Motor Vehicles estimates no fiscal impact to it as a result of the bill.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 1218	AM:	AGENCY/POLT. SUB: Department of Revenue	
REVIEWED BY: Joe Massey	DATE: 2/16/2024	PHONE: (402) 471-4181	
COMMENTS: No basis to disagree with the Department of Revenue's assessment of fiscal impact from LB 1218.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 1218 AM: AGENCY/POLT. SUB: Motor Vehicles

REVIEWED BY: Joe Massey DATE: 1/23/2024 PHONE: (402) 471-4181

COMMENTS: No basis to disagree with the Motor Vehicles assessment of no fiscal impact from LB 1218

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

2024

LB⁽¹⁾ 1218

FISCAL NOTE

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

Prepared by: ⁽³⁾ Bart Moore Date Prepared: ⁽⁴⁾ January 23, 2024 Phone: ⁽⁵⁾ 402-471-3902

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2024-25</u>		<u>FY 2025-26</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:

No Fiscal Impact

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25</u>	<u>2025-26</u>
	<u>24-25</u>	<u>25-26</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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2024

LB⁽¹⁾ 1218

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Power Review Board

Prepared by: ⁽³⁾ Tim Texel Date Prepared: ⁽⁴⁾ January 17, 2024 Phone: ⁽⁵⁾ 402-471-2301

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2024-25</u>		<u>FY 2025-26</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:

LB 1218 would add definitions to Chapter 70, article 10, which is the Power Review Board's (the Board) primary controlling statutes. The bill also includes requirements and procedures for a right of first refusal for certain entities wishing to sell electricity at retail for the purpose of charging electric vehicles. However, it appears the Board would have no enforcement role regarding the right of first refusal provisions. With that understanding, the bill would have no fiscal impact on the Board.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25</u>	<u>2025-26</u>
	<u>24-25</u>	<u>25-26</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.

2024

LB⁽¹⁾ 1218

FISCAL NOTE

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

Prepared by: ⁽³⁾ Jenessa Boynton Date Prepared: ⁽⁴⁾ 2/15/2024 Phone: ⁽⁵⁾ 402-479-4691

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2024-25</u>		<u>FY 2025-26</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:

LB 1218 defines and redefines terms relating to motor fuels. When produced for use as a motor vehicle fuel, agricultural ethyl alcohol is included in definition of motor vehicle fuel. LB 1218 would require commercial electric vehicle charging stations funded in whole or part by state or federal funds to only be installed by an installer who has obtained certification from the Electric Vehicle Infrastructure Training Program.

As proposes, beginning January 1, 2028, an excise tax of three cents per kilowatt hour would be levied on the electric energy used to charge the battery of a motor vehicle at a commercial electric vehicle charging station. Once the levy is imposed no sales and used tax shall be applied on electric energy when stored, used, or consumed by a motor vehicle as long as the electricity was subject to the excise tax imposed in subsection (2) of section 66-4,105.

No fiscal impact to the NDOT is anticipated until fiscal year 2028.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25</u>	<u>2025-26</u>
	<u>24-25</u>	<u>25-26</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____