PREPARED BY: DATE PREPARED: PHONE: Doug Nichols February 1, 2007 471-0052

LB 108

Revision: 01

FISCAL NOTE

Updated on February 1, 2007.

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2007-08		FY 2008-09	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	See Below		See Below	
CASH FUNDS	See Below	See Below	See Below	See Below
FEDERAL FUNDS	See Below		See Below	
OTHER FUNDS				
TOTAL FUNDS	See Below	See Below	See Below	See Below

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

This bill will change provisions relating to fence disputes, and it has the emergency clause. The bill allows for mediation from either the mediation service of the Department of Agriculture (DoA) or the state mediation centers established under the Nebraska Supreme Court (NSC). The cost of mediation is to be shared by the parties according to fees established for such services.

The NSC states that under the bill they will have the responsibility of creating and mailing instructions and forms for fence dispute petitions. They estimate a cost of \$1,000 (General Funds) per year for printing and mailing these instructions and forms. It appears that the NSC should be able to absorb this cost within their current appropriations.

The DoA estimates 20 cases a year at a cost of \$900 a case, or \$18,000 per year. If one party is involved with production agriculture, then they can qualify for federal mediation fund reimbursement of 70%. The 30% match for each federal dollar would be charged under a fee schedule established by DoA. The fund sources for the estimated mediation cost of \$18,000 per year would be \$5,400 cash funds and \$12,600 federal funds. The agency notes that they will also have costs associated with rules and regulations, and with mediator training. It appears that the existing cash and federal fund expenditure authority for the DoA is adequate to cover expenses under the provisions of this bill.