

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2009-10		FY 2010-11	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS	See Below	See Below	See Below	See Below
TOTAL FUNDS	See Below	See Below	See Below	See Below

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

LB 491 creates the Home Energy Efficiency Fund. Section 3 states the Legislature’s intent that the fund be eligible to receive grants, loans, and federal funds to the extent available. In order to be eligible to receive funds an entity shall create a home energy efficiency program. Section 3 goes on to identify elements of such a program.

Section 3 (2) states that entities eligible to administer the fund include: public power districts, rural public power districts, electric cooperative corporations, nonprofit corporations organized for the purpose of furnishing electric service, joint entities organized under the Interlocal Cooperation Act or municipalities. It is unclear what the phrase “Entities eligible to administer the fund” means. It appears that this language provides authority to expend dollars from the fund.

Section 4 requires eligible entities to approve energy-efficiency loan applications for proposed energy-efficiency improvements which reduce energy use or result in more efficient use of energy resources.

Section 5 requires the State Energy Office to create loan application forms and standard contracts for repayment of loans.

The Energy Office estimates the need for two 0.05 FTE in fiscal year 2009-10 at a cost of \$7,433. with continuing operations costs of \$270. This is to create and design the required forms. The estimate for staffing appears to be reasonable. Since the amount of time to create and design the forms is so small, it is highly likely that current staff will perform this function. Similarly, the ongoing operations costs are so small that they can be absorbed within currently budgeted resources.

Section 4 (2) requires each eligible entity to submit vouchers against the fund to the Director of Administrative Services. The bill does not provide direction to the Department of Administrative Services regarding what it is to do with the vouchers. In their estimate of anticipated costs, DAS assumes the vouchers are to be processed for payment from the fund. Based on that assumption, DAS further assumes a small fee to process each voucher. That cost will vary depending on the number of vouchers processed each year. DAS has provided ranges of costs assuming 1 to 500 vouchers processed per year ranging from \$3.12 to \$1,560 in Fiscal Year 2009-10 and \$3.24 to \$1,620 in Fiscal Year 2010-11. These estimates appear to be reasonable under the assumptions DAS utilized.

There is no reasonable way to estimate the amount of funds that may be granted, loaned or received from federal funds.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Cindy Miserez	DATE	2/2/09	PHONE	471-2526
-------------	---------------	------	--------	-------	----------

COMMENTS

ENERGY OFFICE: I have no basis to dispute the agency estimate.