PREPARED BY: DATE PREPARED: PHONE: John Wiemer January 23, 2024 402-471-0051

LB 1088

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

| ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates) | | | | | | | | |
|--|--------------|---------|--------------|---------|--|--|--|--|
| | FY 202 | 24-25 | FY 20 | 25-26 | | | | |
| | 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 1088 would make changes to the Nebraska Advantage Act so that for Tier 6 projects submitted and approved by the Tax Commissioner on or after December 1, 2020 the required levels of employment and investment would have two additional years to be met compared to current law for Tier 6 projects. The taxpayer would need to make a one-time election to have this two-year extension. Otherwise, there would be no extension.

The Department of Revenue estimates no revenue impact and minimal costs to it to implement the bill.

There is no basis to disagree with these estimates.

| ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE | | | | | | |
|--|------------------|--------------------------|-----------------------|--|--|--|
| LB: 1088 | AM: | AGENCY/POLT. SUB: Depart | ment of Revenue | | | |
| REVIEWED B | Y: Neil Sullivan | DATE: 1/22/2024 | PHONE: (402) 471-4179 | | | |
| COMMENTS: The Department of Revenue assessment of minimal fiscal impact from LB 1088 appears reasonable. | | | | | | |

| ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE | | | | | | |
|---|---------------------|--|--|--|--|--|
| LB: 1088 AM: AGENCY/POLT. SUB: Nebraska Association of County Officials | | | | | | |
| REVIEWED BY | ': Neil Sullivan | DATE: 1/19/2024 | PHONE: (402) 471-4179 | | | |
| COMMENTS: N from LB 1088. | No basis to disagre | ee with the Nebraska Association of Cour | nty Officials assessment of no fiscal impact | | | |

| LB (1) | 1088 | | | | | FISCAL NOTE |
|---------------|-----------------|----------------------------|----------------------------------|------------------|--------------------------------|---------------------|
| State Ag | gency OR Politi | ical Subdivision Name: (2) | Nebraska Associa | tion of County C | officials (NA | CO) |
| Prepare | ed by: (3) El | aine Menzel | Date Prepared: (4) | 1/14/2024 | Phone: (5) | 402.434.5660 |
| | | ESTIMATE PROVI | DED BY STATE AGEN | ICY OR POLITICA | L SUBDIVIS | ION |
| | | EV | 2024 25 | | EV agar | 0.0 |
| | | EXPENDITURES | <u>2024-25</u> <u>REVENUE</u> | EXPENDIT | <u>FY 2025-</u> <u>URES</u> | <u>REVENUE</u> |
| GENEF | RAL FUNDS | | | | | |
| CASH I | FUNDS | | | | | |
| | AL FUNDS | | | | | |
| | R FUNDS | | | | | |
| | | | | | | |
| TOTAL | L FUNDS | | | - | | |
| Explana | ation of Estim | nate: | | | | |
| There | is expected | to be no known fiscal | impact to counties. | | | |
| Porson | al Services: | BREAKDOW | N BY MAJOR OBJECT | S OF EXPENDIT | <u>JRE</u> | |
| 1 CISOII | | | JMBER OF POSITIONS | S 2024-2 | 5 | 2025-26 |
| | POSITION | TITLE | <u>24-25</u> <u>25-26</u> | EXPENDIT | <u>URES</u> | EXPENDITURES |
| | | | | | | |
| Benefit | S | | | | | |
| Operati | ng | | | | | |
| Travel. | | | | | | |
| Capital | outlay | | | | | |
| Aid | | | | | | |
| Capital | improvement | S | | | | |
| TO | TAL | | | | | |

LB 1088 Fiscal Note 2024

| State Agency Estimate | | | | | | | |
|--|----------------|--|--|--|--|--|--|
| State Agency Name: Department of Revenue Date Due LFO: | | | | | | | |
| | Date Prepared: | 01/19/2024 | | Phone: 471-5896 | | | |
| FY 2024 | <u>1-2025</u> | FY 202: | <u>5-2026</u> | FY 2020 | 5-2027 | | |
| Expenditures | Revenue | Expenditures | Revenue | <u>Expenditures</u> | Revenue | | |
| | \$0 | | \$0 | | \$0 | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | \$0 | | \$0 | | \$0 | | |
| | FY 2024 | Date Prepared: FY 2024-2025 Expenditures Revenue \$0 | Date Prepared: 01/19/2024 FY 2024-2025 FY 202- Expenditures Revenue Expenditures \$0 | Date Prepared: 01/19/2024 FY 2024-2025 FY 2025-2026 Expenditures Revenue \$0 \$0 \$0 \$0 \$0 \$0 \$0 | Date Due LFO: Date Prepared: 01/19/2024 Phone: 471-5896 FY 2024-2025 FY 2025-2026 FY 2026 Expenditures Revenue Expenditures Revenue Expenditures \$0 | | |

For a Nebraska Advantage Tier 6 project with application date on or after December 1, 2020, LB 1088 extends the attainment period to seven years. The agreement holder must make a one-time election to have the extension apply. In the absence of this election, the attainment period remains five years.

The Department of Revenue (DOR) estimates that the extending the attainment period to seven years will have no impact on the General Fund revenues.

It is estimated that there will be minimal costs to the DOR to implement this bill.

| Major Objects of Expenditure | | | | | | | | |
|------------------------------|----------------------|---------------------|---------------------|---------------------|-----------------------|-----------------------|-----------------------|--|
| Class Code | Classification Title | 24-25 <u>FTE</u> | 25-26 <u>FTE</u> | 26-27 <u>FTE</u> | 24-25 Expenditures | 25-26 Expenditures | 26-27 Expenditures | |
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