Doug Gibbs February 17, 2015 402-471-0051

## LB 285

## Revision: 00 FISCAL NOTE LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)							
	FY 201	5-16	FY 2016-17				
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE			
GENERAL FUNDS		See Below		See Below			
CASH FUNDS	See Below		See Below				
FEDERAL FUNDS							
OTHER FUNDS							
TOTAL FUNDS	See Below	See Below	See Below	See Below			

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

LB 285 amends the Sports Arena Facility Financing Assistance Act.

The bill increases the time period in which 100% of new nearby retailers' state sales tax is subject to throwback from the current fouryear period to a twelve-year period. Under current statute the period in which 100% of new state sales tax revenue is thrown back ends 24 months after the occupancy of the eligible sports arena facility.

The Department of Revenue indicates that they are unable to estimate the fiscal impact on the General Fund and the Cash Funds and the impact is contingent upon future qualifying sports arena facility projects under the Sports Arena Facility Financing Assistance Act.

The amount of sales tax subject to the current provisions of the Sports Arena Facility Financing Assistance Act averages approximately \$653,000 per quarter. Given the provisions of LB 285 the loss of revenue to the General Fund will increase as new retailers locate in the arena sourcing zone, although we are unable to provide a specific estimate of fiscal impact.

The Department of Revenue indicates the cost to implement LB 285 will be minimal.

We agree with the Department's estimate of cost.

## Fiscal Note 2015

State Agency Estimate									
State Agency Name: Department of Revenue Dat						2/18/2015			
Approved by: Len Sloup		Date Prepared:	2/18/2015		Phone: 471-5896				
	FY 2015-2016		FY 2016-2017		FY 2017-2018				
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue			
General Funds		See below		See below		See below			
Cash Funds	See below		See below		See below				
Federal Funds									
Other Funds									
Total Funds	See below	See below	See below	See below	See below	See below			

State A man ary Estimate

LB 285 expands the definition of "new state sales tax revenue" for purposes of the Sports Arena Facility Financing Assistance Act to include 100% of the state sales tax collected by nearby retailers for the period ending 120 months after the occupancy of the eligible sports arena facility. Under current law, the period ends 24 months after the occupancy of the eligible sports arena facility.

The revenue impact on the General Fund and Cash Funds are unknown and contingent upon future qualifying sports arena facility projects under the Sports Arena Facility Financing Assistance Act.

The Department's cost to implement the bill is expected to be minimal.

Note: There would be an impact on General Fund revenue or expenditures if the definition of "nearby retailer" was expanded to include retailers located within 1,000 yards of the sports arena facility.

The bill would be operative three months after the end of the session.

Major Objects of Expenditure									
<u>Class Code</u>	Classification Title	15-16 <u>FTE</u>	16-17 <u>FTE</u>	17-18 <u>FTE</u>	15-16 <u>Expenditures</u>	16-17 <u>Expenditures</u>	17-18 <u>Expenditures</u>		
Benefits									
Operating Costs									
Travel									
Capital Outlay									
Aid									
Capital Improvements									
Total									