PREPARED BY: DATE PREPARED: PHONE: Keisha Patent February 1, 2022 402-471-0059

**LB 985** 

Revision: 00

## FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)							
	FY 2022-23		FY 2023-24				
	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 985 creates an exception for the definition of "base year" under the ImagiNE Nebraska Act.

When determining the base year for an application in 2021 or 2022, LB 985 provides that applicants that increased their equivalent employees in 2020 or 2021 due to the COVID-19 pandemic shall have their base year set to 2019.

The Department of Revenue estimates LB 985 will have minimal fiscal impact. There is no basis to disagree with this estimate.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE						
LB: 985	AM:	AGENCY/POLT. SUB: Depart	AGENCY/POLT. SUB: Department of Revenue			
REVIEWED	BY: Neil Sullivan	DATE: 1/28/2022	PHONE: (402) 471-4179			
COMMENTS: The Department of Revenue assessment of minimal fiscal impact from LB 985 appears reasonable.						

LB 985 Fiscal Note 2022

Date Due LFO: Phone: 471-5896	
Phone: 471-5896	
FY 2024-2025	
<u>Expenditures</u> <u>Revenue</u>	
\$ 0	
\$ 0	

LB 985 would amend the Nebraska ImagiNE Act, Neb. Rev. Stat. § 77-6805, which is the definition of "base year." Currently, the base year is the prior to application except that if the application year is 2021, the base year employment is the larger of the employment in 2019 or 2020. LB 985 would add a second exception for companies applying in 2021 or 2022 that increased the number of new employees in either 2020 or 2021 in response to the COVID-19 pandemic. In that case, the base year would be the employment in 2019.

LB 985 is estimated to have minimal impact to General Fund revenues.

It is estimated that there will be no cost to the DOR to implement this bill.

Major Objects of Expenditure								
Class Code	Classification Title	22-23 <u>FTE</u>	23-24 <u>FTE</u>	24-25 <u>FTE</u>	22-23 Expenditures	23-24 Expenditures	24-25 Expenditures	
Benefits	Benefits.							
Operating Costs	Operating Costs.							
Travel								
Capital Outlay								
Capital Improvements								
Total								