

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2021-22		FY 2022-23	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	See below		See below	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below		See below	

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

LB 9 seeks to expand the definition of contiguous lands, lots, tracts, streets, or highways, relating to the annexation of such property.

Under LB 9, property that is sought to be annexed can qualify as contiguous even if a federal property or a natural resources district lies between the same and the corporate limits. Prior to this, contiguous land was only extended to that property which had a natural barrier, such as a stream, embankment, strip, or parcel of land thinner than 200 feet between its same and corporate limits.

Additionally, LB 9 allows agricultural land within the corporate bounds of a city or village to qualify for special valuation if such land is subject to air installation compatible use zone regulations or is within a flood plain.

LB 9 carries the emergency clause, and as such would become operative immediately upon passing.

The Department of Revenue estimates no fiscal impact to the Department as a result of LB 9. There is no basis to disagree with this estimate.

LB 9 will increase the amount of state aid calculated for TEEOSA, although it's difficult to estimate how much this amount would be.

Under LB 9, more land would qualify for special valuation, resulting in a reduction of the tax base for a given county and its political subdivisions. The Nebraska Association of County Officials expects a negative fiscal impact would be seen among counties, but was unable to provide any estimates.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 9 AM: AGENCY/POLT. SUB: Nebraska Association of County Officials (NACO)

REVIEWED BY: Lee Will DATE: 01/19/2021 PHONE: (402) 471-4175

COMMENTS: Concur with NACO's assessment of fiscal impact.

Please complete ALL (5) blanks in the first three lines.

2021

LB⁽¹⁾ 9

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Association of County Officials (NACO)

Prepared by: ⁽³⁾ Elaine Menzel Date Prepared: ⁽⁴⁾ 1/14/2021 Phone: ⁽⁵⁾ 402.434.5660

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2021-22</u>		<u>FY 2022-23</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

Change annexation requirements and property tax special valuation provisions. LB 9 would add additional situations in which special valuation could be applicable which would result in a lower valuation to the value of designated land and a reduction to the tax base of affected property within a county. Thus, it would result in a negative fiscal impact to counties.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22 EXPENDITURES</u>	<u>2022-23 EXPENDITURES</u>
	<u>21-22</u>	<u>22-23</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____