

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2024-25		FY 2025-26	
	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 34 is similar to [LB 576 AM 399](#) which was proposed in 2017. The current bill, LB 34, provides that a real property owner’s real property tax bill for 2025 through 2028 shall equal the owner’s real property tax bill for 2024 plus any improvements made within the year and minus any improvement that have been destroyed or removed.

The Department of Revenue indicated no cost to implement LB 576 therefore we expect no cost to the agency to implement LB 34.

Because school aid as calculated by TEEOSA is based on valuation not taxes levied or paid and the bill specifies that the assessed value of real property as of January 1 of each year will be the same as the prior year, the bill may have an impact on TEEOSA aid.

IMPACT TO POLITICAL SUBDIVISIONS:

For LB 11, the City of Omaha estimates a reduction in revenue of \$11,000,000 in FY25 and \$12,000,000 in FY26.

For LB 576 in 2017, the Nebraska Association of Counties (NACO) indicated a negative fiscal impact in the vast majority of counties.

There is no basis to disagree with the current estimate provided by City of Omaha or the previous statement of impact by NACO.

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2024

LB⁽¹⁾ 34

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ City of Omaha

Prepared by: ⁽³⁾ Jeff Roh Date Prepared: ⁽⁴⁾ 7-26-24 Phone: ⁽⁵⁾ 402-444-5451

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2024-25</u>		<u>FY 2025-26</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	<u>(11,000,000)</u>	_____	<u>(12,000,000)</u>
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>_____</u>	<u>(11,000,000)</u>	<u>_____</u>	<u>(12,000,000)</u>

Explanation of Estimate:

The City of Omaha would see a loss of revenue from property taxes estimated at between \$11,000,000, and \$12,000,000 If valuations were assessed according to LB 34.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25</u>	<u>2025-26</u>
	<u>24-25</u>	<u>25-26</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____