

PREPARED BY: John Wiemer  
 DATE PREPARED: January 24, 2023  
 PHONE: 402-471-0051

**LB 58**

Revision: 00

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

| <b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates) |                   |               |                   |               |
|---|-------------------|---------------|-------------------|---------------|
|   | <b>FY 2023-24</b> |               | <b>FY 2024-25</b> |               |
|   | EXPENDITURES      | REVENUE       | EXPENDITURES      | REVENUE       |
| GENERAL FUNDS   |                   | (\$1,606,000) |                   | (\$2,478,000) |
| CASH FUNDS  |                   | (\$65,000)    |                   | (\$100,000)   |
| FEDERAL FUNDS   |                   |               |                   |               |
| OTHER FUNDS   |                   |               |                   |               |
| <b>TOTAL FUNDS</b>  |                   | (\$1,671,000) |                   | (\$2,578,000) |

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

LB 58 provides sales and use tax exemptions for diapers.

The operative date of the bill is October 1, 2023.

The Department of Revenue (DOR) estimates the revenue reduction from this bill as follows:

| Fiscal Year | General Fund | State Highway Capital Improvement Fund | Highway Allocation Fund |
|-------------|--------------|--|-------------------------|
| FY23-24     | \$1,606,000  | \$65,000                               | \$11,000                |
| FY24-25     | \$2,478,000  | \$100,000                              | \$18,000                |
| FY25-26     | \$2,549,000  | \$103,000                              | \$18,000                |

There is estimated to be a revenue loss to the State Highway Capital Improvement Fund and the Highway Allocation Fund, which is distributed to cities and counties.

The DOR estimates minimal costs to implement the bill.

There is no basis to disagree with these estimates.

|  |                 |   |
|--|-----------------|---|
| <b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b> |                 |   |
| LB: 58   | AM:             | AGENCY/POLT. SUB: Department of Revenue |
| REVIEWED BY: Neil Sullivan   | DATE: 1/23/2023 | PHONE: (402) 471-4179                   |
| COMMENTS: The Department of Revenue assessment of fiscal impact from LB 58 appears reasonable.   |                 |   |

