

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2025-26</b>		<b>FY 2026-27</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
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 116 changes the Convention Center Facility Financing Assistance Act.

The bill adds the definition of applicant and maximum aggregate appropriations. The bill also makes changes to the definitions of associated hotel and nearby retailers.

Under section 13-2604, the bill makes changes so that any political subdivision that has approved the acquisition, construction, improvement, or equipping of eligible facilities could apply for state assistance.

The bill provides that any state assistance received pursuant to the Act would be used only to pay for or repay amounts borrowed to finance a project owned by a political subdivision.

The bill adds that it is the intent of the Legislature to appropriate to any political subdivision for which an application for state assistance under the Act has been approved an annual amount not to exceed 70% of the state sales tax revenue collected by retailers and operators doing business at such facilities on sales at such facilities, state sales tax revenue collected on primary and secondary box office sales of admissions to such facilities, and state sales tax revenue collected by associated hotels and nearby retailers, and an aggregate amount of not more than the maximum aggregate appropriations.

The bill also makes changes regarding a County Visitors Promotion Fund so that the proceeds from the Fund could be used to expand, improve, and maintain visitor attractions and facilities in the county.

The Department of Revenue (DOR) estimates an indeterminant impact to General Funds and Cash Funds depending on future projects as a result of this bill. The DOR notes a potential significant reduction in state sales tax revenue depending on the locations of the projects and nearby businesses. The DOR notes for comparison purposes that \$18.5 million is forecast to be transferred during FY25 under the terms of the Sports Arena Facility Financing Assistance Act and the Convention Center Facility Financing Assistance Act for 4 current projects.

The DOR estimates minimal costs to it to implement the bill.

There is no basis to disagree with these estimates by the DOR.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 116	AM:	AGENCY/POLT. SUB: Department of Revenue	
REVIEWED BY: Ryan Yang	DATE: 1/21/2025	PHONE: (402) 471-4178	
COMMENTS: No basis to disagree with the Department of Revenue assessment of no fiscal impact from LB 116.			

<a href="#">ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</a>		
LB: 116	AM:	AGENCY/POLT. SUB: Nebraska Association of County Officials
REVIEWED BY: Ryan Yang	DATE: 1/15/2025	PHONE: (402) 471-4178
COMMENTS: The Nebraska Association of County Officials assessment of fiscal impact from LB116 appears reasonable.		



The revenue impact of LB 116 on the General Fund and Cash Funds are unknown and contingent upon future qualifying projects. Depending on the location of these projects and the nearby businesses, there is potential for a significant reduction in state sales tax revenue. For comparison purposes, \$18.5 million is forecast to be transferred during fiscal year 2024-2025 under the terms of the Sports Arena Facility Financing Assistance Act and the Convention Center Facility Financing Assistance Act for four current projects.

It is estimated that there will be minimal costs to the Department of Revenue to implement this bill.

The operative date for this bill is three months after adjournment.

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

**2025**

**LB<sup>(1)</sup> 116**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Department of Transportation

Prepared by: <sup>(3)</sup> Jenessa Boynton Date Prepared: <sup>(4)</sup> 1/17/2025 Phone: <sup>(5)</sup> 402-479-4691

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2025-26</u>		<u>FY 2026-27</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>

**Explanation of Estimate:**

LB116 updates provisions of the Convention Center Facility Financing Assistance Act. If an eligible facility is within six hundred yards of the State Capitol the area used in determining nearby retailers shall be one or more contiguous or noncontiguous areas within the territorial boundaries of the applicant which are selected by the applicant and which aggregate the same total amount of square footage that such area would have contained had the eligible facility not been within six hundred yards of the State Capitol.

Based on information provided by the Department of Revenue, no fiscal impact on the Highway Trust Fund and Highway Allocation Fund.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
<b>TOTAL.....</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>

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

2025

LB<sup>(1)</sup> 116

FISCAL NOTE

State Agency OR Political Subdivision Name: <sup>(2)</sup> Lancaster County, Nebraska

Prepared by: <sup>(3)</sup> Dennis Meyer Date Prepared: <sup>(4)</sup> 1/16/2025 Phone: <sup>(5)</sup> 402-441-6869

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2025-26</u>		<u>FY 2026-27</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:

There will be no financial impact on Lancaster County unless and until the County determines to proceed with a project under the provisions of LB116.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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

**2025**

**LB<sup>(1)</sup> 116**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Association of County Officials

Prepared by: <sup>(3)</sup> Elaine Menzel Date Prepared: <sup>(4)</sup> 1/15/2025 Phone: <sup>(5)</sup> 402.434.5660

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2025-26</u>		<u>FY 2026-27</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>

**Explanation of Estimate:**

LB 116 would modify provisions of the Convention Center Facility Financing Assistance Act to add definitions, provide criteria and guidelines for any one approved project. Further, under the Nebraska Visitors Development Act provisions are revised to permit the Visitors' Improvement Fund to be used to expand and maintain the visitor attractions and facilities.

There are no additional requirements or guarantees for money; therefore, there is no fiscal impact to counties unless an appropriation is received. The possible amount in the Convention Center Facility Financing Assistance Act is \$150 million which was provided in statute previously.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
<b>TOTAL.....</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>