

PREPARED BY: Nikki Swope
DATE PREPARED: March 11, 2025
PHONE: 402-471-0042

LB 487

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)

	FY 2025-26		FY 2026-27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
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 487 would adopt the Restitution and Redress for Redlining Task Force Act (Act). The bill outlines the purposes and roles of the Act and defines the qualifications and duties of the members of the task force as prescribed in the bill. The bill further requires that the Task Force submit a report to the Legislature. The Act would terminate on November 1, 2028.

The bill also establishes the Restoration Study Fund and requires that credits to the fund such money as is transferred to the fund by the Legislature, including from the Marijuana and Controlled Substances Tax Administration Cash Fund, or donated as gifts, bequeaths, bequests, or other contributions to such funds from public or private entities. These funds shall be expended by the Restitution and Redress for Redlining Task Force to carry out the Restitution and Redress for Redlining Task Force Act. The members of the task force shall be entitled to receive reimbursement for expenses incurred incident to such service as provided in sections 81-1174 to 81-1177.

LB 487 is silent on the amount of funding that would be transferred from the Marijuana and Controlled Substances Tax Administration Cash Fund to the Restoration Study Fund. If the Bill's intent is to transfer all projected proceeds from the Marijuana and Controlled Substances Tax Administration Cash Fund, which are anticipated to be between \$400,000-\$500,000 annually, this amount would be available in the Restoration Study Fund.

Furthermore, the amount of funding that would be received from public or private entities is unclear. Thus, the fiscal impact is indeterminable as the bill is currently written.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 487	AM:	AGENCY/POLT. SUB: Department of Revenue	
REVIEWED BY: Joe Massey		DATE: 3/13/2025	PHONE: (402) 471-4181
COMMENTS: No basis to disagree with the Department of Revenue's assessment of no fiscal impact from LB 487.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 487	AM:	AGENCY/POLT. SUB: Commission on African American Affairs	
REVIEWED BY: Joe Massey		DATE: 2/21/2025	PHONE: (402) 471-4181
COMMENTS: No basis to disagree with the Commission on African American Affairs assessment of no fiscal impact from LB 487.			

State Agency OR Political Subdivision Name: ⁽²⁾ Commission on African American Affairs

Prepared by: ⁽³⁾ Johnny Nesbit

Date Prepared: ⁽⁴⁾ 2/20/2025

Phone: ⁽⁵⁾ 402-216-5818

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2025-26		FY 2026-27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Explanation of Estimate:
No fiscal impact

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE				
Personal Services:				
POSITION TITLE	NUMBER OF POSITIONS		2025-26	2026-27
	25-26	26-27	EXPENDITURES	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				

State Agency Estimate

State Agency Name: Department of Revenue				Date Due LFO:				
Approved by: James R. Kamm				Date Prepared: 03/11/2025		Phone: 471-5896		
	FY 2025-2026			FY 2026-2027			FY 2027-2028	
	Expenditures	Revenue		Expenditures	Revenue		Expenditures	Revenue
General Funds		\$ 0			\$ 0			\$ 0
Cash Funds								
Federal Funds								
Other Funds								
Total Funds		\$ 0			\$ 0			\$ 0

LB 487 creates the Restitution and Redress for Redlining Task Force Act and the Restoration Study Fund.

The proceeds from the Marijuana and Controlled Substances Administration Cash Fund will be distributed entirely to the Restoration Study Fund until November 1, 2028. After November 1, 2028, the current distribution formula will resume. Currently, proceeds of the tax are distributed in part to each of the following: the Marijuana and Controlled Substances Tax Administration Cash Fund; the counties from which the proceeds originated to the County Drug Law Enforcement and Education Fund for the county; and to the Nebraska State Patrol Drug Control and Education Cash Fund.

The projected proceeds from the Marijuana and Controlled Substances Administration Cash Fund are between \$400,000 and \$500,000. The entire amount will be distributed to the Restoration Study Fund.

The Department estimates that LB 487 will have no impact on the General Fund revenues.

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

LB 487 operative date is three months after adjournment of the Legislature.

Major Objects of Expenditure							
<u>Class Code</u>	<u>Classification Title</u>	<u>25-26 FTE</u>	<u>26-27 FTE</u>	<u>27-28 FTE</u>	<u>25-26 Expenditures</u>	<u>26-27 Expenditures</u>	<u>27-28 Expenditures</u>
Benefits.....							
Operating Costs.....							
Travel.....							
Capital Outlay.....							
Capital Improvements.....							
Total.....							