PREPARED BY: DATE PREPARED: PHONE: Doug Gibbs February 03, 2014 402-471-0051

LB 850

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)							
	FY 201	4-15	FY 20	15-16			
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE			
GENERAL FUNDS	\$ 0		\$ 736,000				
CASH FUNDS							
FEDERAL FUNDS							
OTHER FUNDS							
TOTAL FUNDS	\$ 0		\$ 736,000				

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

LB 850 amends Nebraska Revised Statutes Sections 77-3508 and 77-3513 dealing with the homestead exemption.

Section 77-3508 is amended to add a new category of eligible individuals for the homestead exemption. The bill provides that individuals who have a developmental disability as defined in Section 83-1205, would now be eligible for the exemption.

Section 83-1205 defines development disability to mean: (1) Intellectual disability; or (2) A severe, chronic disability other than an intellectual disability or mental illness which: (a) is attributable to a mental or physical impairment other than a mental or physical impairment caused solely by mental illness; (b) is manifested before the age of twenty-two years; (c) is likely to continue indefinitely; and (d) results in: (i) in the case of a person three years of age or older, a substantial limitation in three or more of the following areas of major life activity, as appropriate for the person's age: (A) self-care; (B) Receptive and expressive language development and use; (C) learning; (D) mobility; (E) self-direction; (F) capacity for independent living; and (G) economic self-sufficiency.

The bill adds the requirement that a person applying for the homestead exemption under this new category supplies certification from the Department of Health and Human Services affirming their status as developmentally disabled.

The bill has an operative date of January 1, 2015.

The Department of Revenue estimates that LB 850 will increase expenditures from the General Fund as follows:

FY2014-15: \$ 0 FY2015-16: \$ 736,000 FY2016-17: \$ 751,000

The Department estimates that the cost to implement LB 850 will be minimal.

There is no basis to disagree with the Department of Revenue's estimate of expenditure or cost.

LB850 FISCAL NOTE DAS ANALYST COMMENTS

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES						
LB: <mark>850</mark>	LB: 850 AM: AGENCY/POLT. SUB: Department of Revenue					
REVIEWED E	BY: Lyn Heaton		DATE: 2/5/2014		PHONE: 402.471.4181	
COMMENTS: No basis do disagree with the Department of Revenue's analysis.						

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES						
LB: <mark>850</mark>	LB: 850 AM: AGENCY/POLT. SUB: Health and Human Services					
REVIEWED E	REVIEWED BY: Lyn Heaton DATE: 2/3/2014 PHONE: 402.471.4181					
COMMENTS: Concur. No fiscal impact to the Department of Health and Human Services.						

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES							
LB: <mark>850</mark>	AM:	AGENCY/POLT. SUB: NACO					
REVIEWED BY: Lyn Heaton DATE: 2/3/2014 PHONE: 402.471.4181							
COMMENTS: Concur. Only minimal administrative cost to counties to implement LB 850. Further, the bill is not expected to have a net							
revenue impact on counties as this additional eligibility category is added into the existing homestead exemption program that requires							
reimbursement by the State of the amount of property tax revenue lost.							

		State Agen	cy Estimate			_
State Agency Name: Department of Revenue					Date Due LFA:	01/24/2014
Approved by: Kim Conroy		Date Prepare	d:]	Phone: 471-5896	
	FY 2014	<u>-2015</u>	FY 2015	-2016	FY 201	6-2017
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue
General Funds	\$0	\$0	\$736,000	\$0	\$751,000	\$0
Cash Funds						
Federal Funds						
Other Funds						
Total Funds	\$0	\$0	\$736,000	\$0	\$751,000	\$0

LB 850 amends the homestead exemption laws to allow developmentally disabled individuals, as defined in Neb. Rev. Stat. § 83-1205, to apply for a homestead exemption. The homestead exemption application filed by a developmentally disabled individual would require a certification from the Department of Health and Human Services. The certification form will be prescribed by the Department of Revenue.

LB 850 would become effective January 1, 2015.

The estimated increase to General Fund expenditures would be as follows:

FY 2014-2015 \$ -FY 2015-2016 \$ 736,000 FY 2016-2017 \$ 751,000

The costs for the Department to implement this bill are expected to be minimal.

Major Objects of Expenditure							
Class Code	Classification Title	14-15 <u>FTE</u>	15-16 <u>FTE</u>	16-17 <u>FTE</u>	14-15 <u>Expenditures</u>	15-16 <u>Expenditures</u>	16-17 <u>Expenditures</u>
Benefits							
Operating Costs							
Travel							
Capital Outlay							
Aid							
Capital Improvements							

FISCAL NOTE

2014

	ESTIMATE PROVIDE	D BY STATE AGENCY OF	R POLITICAL S	UBDIVISION		
State Agency or Political	Subdivision Name:(2) Depart	ment of Health and Hum	nan Services			
Prepared by: (3) Steve Shively Date P		Prepared:(4) 1-15-1421		Phone: (5) 471-0676		
	<u>FY 2014-2015</u>			FY 2015-2016		
	EXPENDITURES	REVENUE	EXPE	NDITURES	REVENUE	
GENERAL FUNDS						
CASH FUNDS						
FEDERAL FUNDS						
OTHER FUNDS						
TOTAL FUNDS	\$0	\$0		\$0	\$0	
Boturn by data appointed or 73	hours prior to public booring, wh	sighover is parlier				
	hours prior to public hearing, where	ilchever is earlier.				
Explanation of Estimate	ale.					
There is no fiscal imp	pact to the Department o	of Health and Humar	n Services.			
•	•					
	NA I	OD OD IECTS OF EVDEND	TUDE			
PERSONAL SERVICES:	MAJ	OR OBJECTS OF EXPEND	ITUKE			
	POSITION TITLE	NUMBER OI 14-15	F POSITIONS 15-16	2014-2015 EXPENDITURES	2015-2016 EXPENDITURES	
-	POSITION TITLE	14-15	15-16	EXPENDITURES	EXPENDITURES	
Benefits						
Operating						
Travel						
Capital Outlay					_	
Aid						
Capital Improvements						
TOTAL			_	00		

LB ⁽¹⁾ 850)					FISCAL NOTE		
State Agency Ol	R Political Subdivision Name	Nebra	Nebraska Association of County Officials (NACO)					
Prepared by: (3	Elaine Menzel	Date P	Prepared: (4)	1/13/2014	Phone: (5)	402.434.5660, ext 225		
	ESTIMATE PRO	OVIDED BY ST	ATE AGENCY	OR POLITICAL S	SUBDIVISION NECESTRAL	ON		
	<u>EXPENDITU</u>	FY 2014-15 RES R	<u>EVENUE</u>	<u>EXPENDITU</u>	<u>FY 2015</u> RES	5-16 <u>REVENUE</u>		
GENERAL FU	NDS							
CASH FUNDS								
FEDERAL FU	NDS							
OTHER FUNI	OS							
TOTAL FUNI	os							
Explanation of	`Estimate:							
	d provide a homestead of act to counties other that				al disabilit <u>y</u>	y. There would be		
Personal Servi		EAKDOWN BY	MAJOR OBJEC	CTS OF EXPENDI	TURE			
	ITION TITLE	NUMBER OF <u>14-15</u>	POSITIONS 15-16	2014-15 EXPENDITU	RES	2015-16 EXPENDITURES		
Benefits				-				
Operating								
Travel								
Capital outlay.								
Aid								
• •	rements							
TOTAL				-				