

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2015-16		FY 2016-17	
	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 168 amends the Business Improvement District Act and adds sections.

The bill outright repeals Section 19-4024, which allows a city council, following a recommendation by the planning commission, if the city has one, to create a business improvement district by resolution of intent.

The bill adds the definition of business area to the Act. Business area is defined as an established area of the city zoned for business, public, or commercial purposes.

LB 168 amends Section 19-4021, regarding the business improvement board, by adding language allowing the board to review and make recommendations regarding the expansion of boundaries of the district.

Section 19-4025 is amended to include the contents of the hearing notice required by this section for both a hearing to create a business improvement district and the hearing to expand the boundaries of a business improvement district.

Sections 19-4026 and 19-4027 are amended to apply only to the creation of a business improvement district.

Section 19-4028 is modified to add language to cover the expansion of a business improvement district's boundaries.

The bill adds new language to the Act to allow for a petition to require the city council to hold a hearing to expand a district's boundaries; specifies the responsibilities of the city council in a hearing to expand district boundaries; requires the city council to adopt an ordinance in order to expand a district's boundaries and specifies the contents of the ordinance including the method of taxation; specifies how taxes are to be imposed; harmonizes language throughout the bill referring to the Act; and now refers to "users of space" and "users" in regards to who is to be taxed and who may protest a proposed tax.

The Department of Revenue indicates that LB 168 will have minimal fiscal impact to the state.

We agree with the Department of Revenue's estimate of fiscal impact.

State Agency Estimate

State Agency Name: Department of Revenue

Date Due LFA: 1/22/2015

Approved by: Len Sloup

Date Prepared: 1/22/2015

Phone: 471-5896

	<u>FY 2015-2016</u>		<u>FY 2016-2017</u>		<u>FY 2017-2018</u>	
	<u>Expenditures</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Revenue</u>
General Funds		Minimal		Minimal		Minimal
Cash Funds						
Federal Funds						
Other Funds						
Total Funds		Minimal		Minimal		Minimal

LB 168 amends the Business Improvement District Act to limit scope of the imposition of occupation taxes on businesses within the district and by class of business, and changes hearing and notice requirements for the creation or expansion of a business district.

Departmental cost to implement the bill is expected to be minimal. The General Fund impact associated with this bill is expected to be minimal.

Major Objects of Expenditure

<u>Class Code</u>	<u>Classification Title</u>	<u>15-16 FTE</u>	<u>16-17 FTE</u>	<u>17-18 FTE</u>	<u>15-16 Expenditures</u>	<u>16-17 Expenditures</u>	<u>17-18 Expenditures</u>
Benefits.....							
Operating Costs.....							
Travel.....							
Capital Outlay.....							
Aid.....							
Capital Improvements.....							
Total.....							