PREPARED BY: DATE PREPARED: PHONE: Sandy Sostad January 28, 2015 471-0054

**LB 590** 

Revision: 00

## **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			(\$20,719,600)					
CASH FUNDS								
FEDERAL FUNDS								
OTHER FUNDS								
TOTAL FUNDS			(\$20,719,600)					

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

LB 590 changes the property valuation information certified by the Property Tax Administrator to the State Department of Education which is used to determine the adjusted valuation of school districts for purposes of allocating state aid through the Tax Equity and Educational Opportunities Support Act (TEEOSA). The bill requires that excess valuation for properties that qualify for tax incremental financing (TIF) will be included in the assessed valuation of school districts for state aid purposes.

The inclusion of higher property values to determine the adjusted valuations of school districts decreases state aid paid through the TEEOSA formula. Using the excess valuation for TIF in 2013, it is estimated that using valuations for school districts which include TIF excess value will reduce state aid by \$20,719,600. It is assumed the fiscal impact will occur beginning in FY2016-17 because there is no emergency clause on the bill. School districts with property that is in the TIF program will have decreased state aid.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES							
LB:590	LB:590 AM: AGENCY/POLT. Lancaster County Assessor/Register of Deeds						
REVIEWED BY: James Van Bruggen DATE: 1/23/2015 PHONE: 471-4179							
COMMENTS: I concur with Lancaster County Assessor's assessment.							

	State Agency	Estimate			
nt of Revenue				Date Due LFA:	1/30/2015
	Date Prepared:	1/30/2015		Phone: 471-5896	
FY 2015	<u>5-2016</u>	FY 201	6-2017	FY 20	17-2018
Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue
	\$ 0	ĺ	\$ 0		\$ 0
	\$ 0		\$ 0		\$ 0
	FY 2015	The first of Revenue    Date Prepared:	Date Prepared: 1/30/2015   FY 2015-2016   FY 2016   Expenditures   Revenue   Expenditures   \$ 0	Date Prepared: 1/30/2015   FY 2015-2016   Expenditures   Revenue   \$0   \$0   \$0	Date Due LFA:   Date Prepared: 1/30/2015   Phone: 471-5896

LB 590 requires county assessors to include the total taxable value of property divided through a Tax Increment Financing project (TIF) in the school district taxable value report filed with the Department of Revenue (Department) by August 25.

Currently, only redevelopment project value or base value is used for school adjusted values.

It is estimated that this bill will have no impact on General Fund revenue.

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

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

Please complete ALL (5) blanks in the first three lines. Change provisions relating to a taxable value **LB590**(1) certified under the Tax Equity and Educational **FISCAL NOTE** Opportunities Support Act DOUGLAS COUNTY, NEBRASKA State Agency OR Political Subdivision Name: (2) 1/26/15 Phone: (5) 402.444.5116 Prepared by: (3) MARCOS SAN MARTIN, Date DOUGLAS COUNTY Prepared: (4) ADMINISTRATION ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION FY 2015-16 FY 2016-17 **EXPENDITURES EXPENDITURES REVENUE REVENUE GENERAL FUNDS CASH FUNDS** FEDERAL FUNDS OTHER FUNDS TOTAL FUNDS N/AN/A N/A N/A**Explanation of Estimate:** NO FISCAL IMPACT TO COUNTY

BREAKD	OWN BY MA.	JOR OBJECTS O	F EXPENDITURE	
Personal Services:				
	NUMBER OF	F POSITIONS	2015-16	2016-17
POSITION TITLE	<u>15-16</u>	<u>16-17</u>	<b>EXPENDITURES</b>	<b>EXPENDITURES</b>
Benefits				
Operating				
Travel				
Capital outlay				
Aid				
Capital improvements				
TOTAL	·•		N/A	N/A

TOTAL.....

<b>LB</b> <sup>(1)</sup> 590			FISCAL NOTE					
State Agency OR Political Subdivision Name: (2	Dept of Education	Dept of Education						
Prepared by: (3) Bryce Wilson	Date Prepared: (4) 1	/23/15 Phone:	(5) 402-471-4320					
ESTIMATE PROV	/IDED BY STATE AGENCY	OR POLITICAL SUBDIVI	SION					
<u>EXPENDITUR</u>	<u>Y 2015-16</u> <u>ES REVENUE</u>	FY 20 EXPENDITURES	016-17 <u>REVENUE</u>					
GENERAL FUNDS								
CASH FUNDS	<del></del> -	<del></del>						
FEDERAL FUNDS								
OTHER FUNDS	<u> </u>							
TOTAL FUNDS								
Explanation of Estimate:	<del></del>							
and their district resources would increase throu would increase for districts with TIF projects in the lower valuation.  This bill would reduce TEEOSA aid but the am	icluded in their valuation the tax b	pase would not increase as asse						
BREA	KDOWN BY MAJOR OBJEC	TS OF EXPENDITURE						
Personal Services:	NUMBER OF POSITIONS	2017 12	2010.15					
POSITION TITLE	15-16 16-17	2015-16 EXPENDITURES	2016-17 EXPENDITURES					
Benefits								
Operating								
Travel								
Capital outlay								
Capital improvements								

<b>LB</b> <sup>(1)</sup>	590						FISCAL NOTE				
State Agency OR Political Subdivision Name: (2)			Lancaste	Lancaster County Assessor/Register of Deeds							
Prepare	ed by: (3)	Scott Gaines	Date Prepa	ared: (4) 1/2	22/15	Phone: (5)	402-441-6580				
		ESTIMATE PRO	VIDED BY STATE	AGENCY C	OR POLITICAL SI	<u>UBDIVISIO</u>	N				
		<u>EXPENDITUR</u>	FY 2015-16 RES REVE	<u>ENUE</u>	<u>EXPENDITUE</u>	<u>FY 2016-</u> RES	-17 REVENUE				
GENE	RAL FUN	DS									
CASH 1	FUNDS										
FEDER	RAL FUNI	os									
OTHE	R FUNDS										
TOTAL	L FUNDS										
Explana	ation of E	stimate:									
No fisc	al impac	t to Lancaster County.									
Dansan	al Services		OWN BY MAJOR	OBJECTS O	F EXPENDITUR	<u>E</u>					
reisona		ION TITLE	NUMBER OF PO	SITIONS 16-17	2015-16 EXPENDITUI	RES	2016-17 EXPENDITURES				
Renefit	<u> </u>										
-	Ü										
Capital	outlay										
Aid											
Capital	improven	nents									
TO	TAL										