PREPARED BY: DATE PREPARED: PHONE: Doug Gibbs January 25, 2016 402-471-0051

LB 683

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT - STATE AGENCIES (See narrative for political subdivision estimates)							
	FY 201	6-17	FY 2017-18				
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE			
GENERAL FUNDS	\$0		\$38,100				
CASH FUNDS							
FEDERAL FUNDS							
OTHER FUNDS							
TOTAL FUNDS	\$0		\$38,100				

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

LB 683 amends Nebraska Revised Statutes Sections 77-3506 and 77-3509 dealing with the homestead exemption.

The bill adds language to Section 77-3506 that changes the term "widow or widower" to "surviving spouse" and provides the 100% exemption for a veteran drawing compensation from the U.S. Department of Veterans Affairs because of 100% service-connected disability or whose death while on active duty was service connected, to a surviving spouse of such a veteran who remarries after attaining the age of 57 years.

Section 77-3509 is amended to change the term "widow or widower" to "surviving spouse" and to provide that a surviving spouse who remarries after attaining the age 57 years is entitled to the exemption provided for in this section.

Currently, only the unremarried widow or widower of such a veteran may receive these exemptions.

The bill has an operative date of January 1, 2017.

The Department of Revenue estimates the following fiscal impact as a result of LB 683:

FY2016-17: \$ 0 FY2017-18: (\$ 38,100) FY2018-19: (\$ 43,600)

The Department indicates the cost to implement the provisions of LB 683 will be minimal.

We have no basis to disagree with the Department's estimate of fiscal impact or cost.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES						
LB: 683 AM: AGENCY/POLT. SUB: Dept. of Revenue						
REVIEWED BY: Lyn Heaton			DATE: 1/26/2016	ATE: 1/26/2016 PHONE: 471-4		
COMMENTS: No basis upon which to disagree with the Department of Revenue's analysis.						

State Agency Estimate								
of Revenue				Date Due LFA:	1/25/2016			
	Date Prepared:	1/25/2016		Phone: 471-5896				
FY 2016-2017		FY 2017-2018		FY 2018-2019				
Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue			
\$0	\$0	\$38,100		\$43,600				
				_				
\$0	\$0	\$38,100		\$43,600				
	FY 2016- Expenditures \$0	Date Prepared:	Date Prepared: 1/25/2016 FY 2016-2017 FY 2017 Expenditures Revenue Expenditures \$0 \$0 \$38,100	Date Prepared: 1/25/2016 FY 2016-2017 FY 2017-2018 Expenditures Revenue \$0 \$0 \$38,100	Date Due LFA: Date Prepared: 1/25/2016 Phone: 471-5896			

LB 683 amends Neb. Rev. Stat. §§ 77-3506 and 77-3509 to expand the class of persons eligible to receive a homestead exemption, to include a veteran's surviving spouse who remarries after the age of 57 years. To be qualified for the homestead exemption, the veteran would still have to have a 100% service-connected disability or an honorable or general discharge.

Currently, a surviving spouse who remarries is not eligible. Only the qualified veteran's un-remarried widow or widower is eligible for the homestead exemption program.

LB 683 would become operative on January 1, 2017.

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

FY 2016-2017 \$ -FY 2017-2018 \$ 38,100 FY 2018-2019 \$ 43,600

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

Major Objects of Expenditure								
Class Code	Classification Title	16-17 <u>FTE</u>	17-18 <u>FTE</u>	18-19 <u>FTE</u>	16-17 Expenditures	17-18 Expenditures	18-19 Expenditures	
Benefits								
Operating Costs								
Travel							_	
Capital Outlay								
	S							