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 DATE PREPARED: February 05, 2016
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LB 1042

Revision: 00

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2016-17		FY 2017-18	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS			(\$21,000,000)	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS			(\$21,000,000)	

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

LB 1042 amends the Community Development Law Section 18-2116 and the Tax Equity and Educational Opportunities Support Act (TEEOSA) Section 79-1016.

Section 18-2116 is amended by adding language that requires prior approval by the county board of equalization of any redevelopment plan that includes the use of tax-increment financing (TIF) before approval of the plan by the governing board of the municipality.

The county board of equalization may approve the plan if it meets all statutory requirements for TIF under the Community Development Law.

Section 79-1016 is amended to add language that changes the property valuation information certified by the Property Tax Administrator to the Department of Education used to determine the adjusted valuation of school districts for purposes of allocating state aid through TEEOSA. New language requires that excess valuation for properties that qualify for TIF will be included in the assessed valuation of school districts for state aid purposes.

Including the excess valuation to determine the adjusted valuation will decrease state aid paid through the TEEOSA formula. School districts with property in the TIF program will have decreased state aid.

The Department of Revenue has indicated minimal costs to the Department to implement the provisions of LB 1042.

We agree with the Department's estimate of cost.

Please complete ALL (5) blanks in the first three lines.

2016

LB⁽¹⁾ 1042

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Nebraska Association of County Officials (NACO)

Prepared by: ⁽³⁾ Elaine Menzel

Date Prepared: ⁽⁴⁾ 1/25/2016

Phone: ⁽⁵⁾ 402.434.5660

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2016-17</u>		<u>FY 2017-18</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

LB 1042 would allow county boards of equalization of a county directly affected by tax-increment financing to approve a plan if it meetings all statutory requirements. The fiscal impact would be insignificant with respect to the administrative provisions of this bill.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2016-17</u>	<u>2017-18</u>
	<u>16-17</u>	<u>17-18</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____