Douglas Gibbs January 16, 2018 402-471-0051

## LB 772

## Revision: 00 FISCAL NOTE LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)								
	FY 201	8-19	FY 2019-20					
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE				
GENERAL FUNDS			See Below					
CASH FUNDS								
FEDERAL FUNDS								
OTHER FUNDS								
TOTAL FUNDS			See Below					

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

LB 772 amends Nebraska Revised Statutes Sections 77-1344 and 77-1347 regarding special valuation of real property.

The bill changes current statute to allow the special valuation of agricultural or horticultural land which is located within the corporate boundaries of cities or villages in counties with less than 100,000 inhabitants. Such land located insides sanitary and improvement districts (SIDs) is still excluded. In counties with 100,000 or more inhabitants, agricultural or horticultural land located with the boundaries of an SID, city or village would still be excluded from special valuation with the exception of land subject to a conservation or preservation easement.

The bill has an operative date of January 1, 2019.

The Legislative Fiscal Office estimates that there could be some additional expenditure of General Funds for TEEOSA aid but we are unable to determine a specific amount.

The Department of Revenue indicates minimal costs to implement the provisions of LB 772.

We agree with the Department's estimate of cost.

## Fiscal Note 2018

State Agency Esumate								
State Agency Name: Department of Revenue Date Due LFA: 01/17/2								
Approved by: Tony Fulton		Date Prepared:	01/16/2018		Phone: 471-5896			
FY 2018-2019		8-2019	FY 2019-2020		FY 2020-2021			
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue		
General Funds								
Cash Funds								
Federal Funds								
Other Funds								
Total Funds								
					_			

LB772 amends Neb. Rev. Stat. §§ 77-1344 and 77-1347 affecting the special valuation of agricultural and horticultural land. In counties with less than 100,000 inhabitants, special valuation could be extended to agricultural and horticultural land located within the corporate limits of cities or villages, but not within sanitary and improvement districts (SIDs). In counties with 100,000 inhabitants or more, agricultural and horticultural land within the corporate limits of villages would remain ineligible for special valuation unless the land is subject to a conservation or preservation easement.

This bill will have an effect on TEEOSA, which will have a corresponding impact on General Fund expenditures.

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

The operative date for this bill is January 1, 2019.

Major Objects of Expenditure								
<u>Class Code</u>	Classification Title	18-19 <u>FTE</u>	19-20 <u>FTE</u>	20-21 <u>FTE</u>	18-19 <u>Expenditures</u>	19-20 <u>Expenditures</u>	20-21 <u>Expenditures</u>	
Benefits								
Benefits Operating Costs								
Travel								
Capital Outlay								
Capital Improvements								
Total								

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<b>LB</b> <sup>(1)</sup> 772				<b>FISCAL NOTE</b>			
State Agency OR Po	olitical Subdivision Name: <sup>(2)</sup>	Nebraska Association of County Officials (NACO)					
Prepared by: (3)	Elaine Menzel	Date Prepared: <sup>(4)</sup>	1/8/2018 P	hone: (5) 402.434.5660			
	ESTIMATE PROVID	ED BY STATE AGENC	Y OR POLITICAL SUE	DIVISION			
FY 2		2018-19		FY 2019-20			
	EXPENDITURES	REVENUE	EXPENDITURE				
GENERAL FUND	S						
CASH FUNDS							
FEDERAL FUND	S						
OTHER FUNDS							
TOTAL FUNDS							

Explanation of Estimate:

LB 772 provisions would be applicable in counties with a population of 100,000 inhabitants or under as it relates to agricultural and horticultural land located outside the boundaries of any sanitary and improvement district. The special valuation would eliminate requirements that such land be incorporated within the boundaries of any sanitary and improvement district, city or village.

The fiscal impact is unknown.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE								
NUMBER OF POSITIONS <u>18-19</u> <u>19-20</u>		2018-19 <u>EXPENDITURES</u>	2019-20 <u>EXPENDITURES</u>					
	NUMBER OF	NUMBER OF POSITIONS           18-19         19-20	NUMBER OF POSITIONS       2018-19         18-19       19-20       EXPENDITURES					