

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2018-19</b>		<b>FY 2019-20</b>	
	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 1104 amends Nebraska Revised Statutes Sections 77-1344 and 77-1347, regarding special valuation of agricultural and horticultural land.

Section 77-1344 is amended to add to the requirements necessary to receive special valuation. The bill would provide that in addition to current requirements, for land located in a county with 100,000 or more inhabitants and the property consists of no more than five contiguous acres the owner or lessee must prove the following:

- They derived at least 15% of their gross income from agricultural or horticultural activities in the preceding year; OR
- The land produced at least \$1,000 of gross revenue from agricultural or horticultural activities in the preceding year.

Section 77-1347 is amended to provide that land loses its special valuation when the above can no longer be proved by the owner or lessee.

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

The Department of Revenue indicates minimal costs to the Department to implement.

There is minimal fiscal impact to the state.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 1104	AM:	AGENCY/POLT. SUB: NE Assoc. of County Officials	
REVIEWED BY: Lyn Heaton	DATE: 2/20/2018	PHONE: <a href="tel:4024714181">(402) 471-4181</a>	
COMMENTS: No basis upon which to disagree with NACO's analysis.			

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 1104	AM:	AGENCY/POLT. SUB: NE City of Lincoln	
REVIEWED BY: Lyn Heaton	DATE: 2/20/2018	PHONE: <a href="tel:4024714181">(402) 471-4181</a>	
COMMENTS: Concur with the City of Lincoln's estimate of no operational fiscal impact.			



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

**2018**

**LB<sup>(1)</sup> 1104**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> City of Lincoln

Prepared by: <sup>(3)</sup> James Van Bruggen Date Prepared: <sup>(4)</sup> 1/23/18 Phone: <sup>(5)</sup> 402-441-8325

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2018-19</u>		<u>FY 2019-20</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:

No fiscal impact.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2018-19 EXPENDITURES</u>	<u>2019-20 EXPENDITURES</u>
	<u>18-19</u>	<u>19-20</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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

**2018**

**LB<sup>(1)</sup> 1104**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Association of County Officials (NACO)

Prepared by: <sup>(3)</sup> Elaine Menzel Date Prepared: <sup>(4)</sup> 1/22/2018 Phone: <sup>(5)</sup> 402.434.5660

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2018-19		FY 2019-20	
	<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:

The fiscal impact to counties is unknown. LB 1104's provisions would be applicable to counties with a population of 100,000 or more. As of this date, those counties are Sarpy, Lancaster and Douglas Counties. The bill would change special valuation provisions for agricultural and horticultural land that is located in such counties and that consists of no more than five contiguous acres, the owner or lessee of the land must prove that (i) he or she derived at least fifteen percent of his or her gross income from agricultural or horticultural activities in the immediately preceding year or (ii) the land produced at least one thousand dollars of gross revenue from agricultural or horticultural activities in the immediately preceding year. Potentially there will be an increase in the valuation of properties in these counties for property of this nature because it would be valued at non-agricultural levels if it meets the conditions outlined.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2018-19</u>	<u>2019-20</u>
	<u>18-19</u>	<u>19-20</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____