

**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>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS	\$0	\$0	\$29,360	\$0
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$0</b>	<b>\$0</b>	<b>\$29,360</b>	<b>\$0</b>

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

LB 1095 amends Nebraska Revised Statutes Section 77-1704.01, regarding the tax notice required to be sent by the county treasurer to the owners of real property.

The bill requires that the notice contain information that:

- Identifies each political subdivision included in the notice by its full name;
- Includes the office mailing address, telephone number, and electronic mail address for the governing board of each political subdivision;
- Includes the web site or mailing address where the budget of each political subdivision can be obtained, including the telephone number or electronic mail address where budget inquiries can be made.

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

There is no fiscal impact to the state General Fund revenue as a result of the provisions of LB 1095.

The Department of Revenue indicates they will require changes to the Certificate of Taxes Levied database. This will require an in-house IT Applications Developer/Lead for a 320-hours period at an estimate cost of \$29,360.

We have no basis to disagree with the Department of Revenue's estimate of cost.

**IMPACT TO POLITICAL SUBDIVISIONS:**

The Nebraska Association of County Officials indicates that while the total fiscal impact to counties is unknown, additional costs would be incurred by most counties to provide the information required by LB 1095. The increased cost would include cost of the statement and postage if the size of the tax statement is increased.

Sarpy County indicates that there is no room on their tax statement for this additional information and they would be required to do an additional insert/flyer that would be printed and included with each tax statement mailed. They mail approximately 65,000 tax statements annually. They estimate an additional cost of \$2,400 each fiscal year.

Lancaster County indicated that their current tax statement is filled to capacity with information and data. To fulfill the requirements of LB 1095, they would need to include an additional insert. They mail approximately 117,000 tax statements annually. They estimate an additional expenditure of \$3,500 each fiscal year.

We have no basis to disagree with the Nebraska Association of County Officials, Sarpy County, or Lancaster County.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 1095	AM:	AGENCY/POLT. SUB: Revenue
REVIEWED BY: Lyn Heaton	DATE: 2/20/2018	PHONE: <a href="tel:4024714181">(402) 471-4181</a>
COMMENTS: It is unclear from the language in the bill that the Department of Revenue would need to make any CTL database changes merely because counties now would include additional political subdivision contact and website information with the property tax statements.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 1095	AM:	AGENCY/POLT. SUB: NE Association of County Officials (NACO)
REVIEWED BY: Lyn Heaton	DATE: 2/20/2018	PHONE: <a href="tel:4024714181">(402) 471-4181</a>
COMMENTS: Depending on the necessary size of the new statements compared to the current size, it is reasonable to assume that the bill could have a fiscal impact for counties relative to postage and printing. Some small amount of staff time could also be necessary to compile and annual confirm the additional information that is printed on the statement.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 1095	AM:	AGENCY/POLT. SUB: Sarpy County
REVIEWED BY: Lyn Heaton	DATE: 2/20/2018	PHONE: <a href="tel:4024714181">(402) 471-4181</a>
COMMENTS: Depending on the necessary size of the new statements compared to the current size, it is reasonable to assume that the bill could have a fiscal impact for counties relative to postage and printing. Some small amount of staff time could also be necessary to compile and annually confirm the additional information that is printed on the statement.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 1095	AM:	AGENCY/POLT. SUB: NE Lancaster County
REVIEWED BY: Lyn Heaton	DATE: 2/20/2018	PHONE: <a href="tel:4024714181">(402) 471-4181</a>
COMMENTS: Depending on the necessary size of the new statements compared to the current size, it is reasonable to assume that the bill could have a fiscal impact for counties relative to postage and printing. Some small amount of staff time could also be necessary to compile and annually confirm the additional information that is printed on the statement.		

State Agency Estimate

State Agency Name: Department of Revenue Date Due LFA: 2/21/2018
Approved by: Tony Fulton Date Prepared: 2/15/2018 Phone: 471-5896

Table with columns for FY 2018-2019, FY 2019-2020, and FY 2020-2021, subdivided into Expenditures and Revenue.

LB 1095 would amend Neb. Rev. Stat. § 77-1704.01 to require that the portion of the notice that accompanies the tax statement which describes the amount of taxes levied by each political subdivision identify: (1) the political subdivision by its full name; (2) the office mailing address, telephone number, and email address for the governing board of each political subdivision; and (3) the website or mailing address where each political subdivision's budget documents can be obtained, including the telephone number or email address for inquiring about the same.

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

LB 1095 will require changes to the Certificate of Taxes Levied database. These changes will require an in-house IT Application Developer/Lead for a 320-hour period for an estimated cost of \$29,360.

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

Major Objects of Expenditure

Table with columns for Class Code, Classification Title, and FTE/Expenditures for years 18-19, 19-20, and 20-21.

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

**2018**

**LB<sup>(1)</sup> 1095**

**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**

	<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:

The fiscal impact to counties is unknown. However, additional costs would be incurred by most counties to provide the additional information required by LB 1095 in tax notices. There may be a need to increase the tax statement size, resulting in increased cost of the statement and postage.

**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.....	_____	_____	_____	_____

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

**2018**

**LB<sup>(1)</sup> 1095**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Sarpy County Treasurer

Prepared by: <sup>(3)</sup> Rich James Date Prepared: <sup>(4)</sup> 1/23/2018 Phone: <sup>(5)</sup> 402-593-2137

**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	\$2400		\$2400	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$2400</b>		<b>\$2400</b>	

Explanation of Estimate: There is no room on a tax statement to provide the significant additional information required by this legislative bill. It will require an additional insert/flyer to be printed and stuffed and mailed with each tax statement. Approximately 68,000 tax statements are mailed annually.

Also, the LB does not place any requirements on the political entities in providing the information required by the bill, so Treasurer's staff will/may have to spend time and/or resources obtaining this information either by mail or on the phone.

If software vendors are required to modify their software in order to comply with this LB, they would have to estimate their costs.

**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.....				
<b>TOTAL.....</b>				

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

**2018**

**LB<sup>(1)</sup> 1095**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Lancaster County Treasurer

Prepared by: <sup>(3)</sup> Candace Meredith Date Prepared: <sup>(4)</sup> 01/23/2017 Phone: <sup>(5)</sup> 402-441-8843

**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	3500.00		3500.00	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

**Explanation of Estimate:**

The Lancaster County Treasurer’s Office currently utilizes a 8.5 x 14 statement that is filled front and back to capacity with information and data. As the bill is presented, the Lancaster County Treasurer’s Office would need to include an additional insert to approximately 117,000 statement.

The County Treasurer’s Office will need to resource employees to gather the data from all the political subdivision on an annual basis to ensure accuracy.

**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.....				