Keisha Patent January 22, 2019 402-471-0059

LB 170

Revision: 00 FISCAL NOTE LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)							
	FY 201	19-20	FY 20	20-21			
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE			
GENERAL FUNDS		(\$972,000)		(\$1,498,000)			
CASH FUNDS		(\$34,000)		(\$61,000)			
FEDERAL FUNDS							
OTHER FUNDS							
TOTAL FUNDS		(\$1,006,000)		(\$1,559,000)			

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

LB 170 exempts feminine hygiene products from sales and use tax. Feminine hygiene products include tampons, panty liners, menstrual cups, sanitary napkins, and other similar items, but does not include grooming and hygiene products. "Grooming and hygiene products" means soaps and cleaning solutions, shampoo, toothpaste, mouthwash, antiperspirants, and suntan lotions and screens, regardless of whether the items meet the definition of over-the-counter drug.

Revenue:

The Department of Revenue estimates the following revenue to the State General Fund, the State Highway Capital Improvement Fund, and the Highway Allocation Fund:

Fiscal Year	General Fund	State Highway Capital Improvement Fund	Highway Allocation Fund	Total
2019-2020	(\$972,000)	(\$34,000)	(\$6,000)	(\$1,013,000)
2020-2021	(\$1,498,000)	(\$61,000)	(\$11,000)	(\$1,569,000)
2021-2022	(\$1,538,000)	(\$62,000)	(\$11,000)	(\$1,612,000)
2022-2023	(\$1,580,000)	(\$64,000)	(\$11,000)	(\$1,655,000)

Expenditures:

The Department of Revenue estimates the costs to implement this bill to be minimal.

ADMINIS	STRATIVE SERVIC	ES STATE BUDGET DIVISION: REVIEW OF AGEN	CY & POLT. SUB. RESPONSE		
LB: 170	AM:	AGENCY/POLT. SUB: Department of Rev	venue		
REVIEWED BY:	Lee Will	DATE: 1/22/2019	PHONE: (402) 471-4175		
COMMENTS: Concur with the Department of Revenue's assessment of fiscal impact based on the assumptions provided.					

Fiscal Note 2019

		State Agency	Estimate			
State Agency Name: Departmen	t of Revenue				Date Due LFA:	1/22/19
Approved by: Tony Fulton		Date Prepared:	1/18/19		Phone: 471-5896	
	FY 2019-2020		FY 2020-2021		FY 2021-2022	
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue
General Funds		(\$972,000)		(\$1,498,000)		(\$1,538,000)
Cash Funds		(\$34,000)		(\$61,000)		(\$62,000)
Federal Funds						
Other Funds		(\$6,000)		(\$11,000)		(\$11,000)
Total Funds		(\$1,013,000)		(\$1,569,000)		(\$1,612,000)
Total Funds						

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LB 170 creates a sales and use tax exemption for "feminine hygiene products" as defined by the bill. These products include tampons, panty liners, menstrual cups, sanitary napkins, and other similar tangible personal property designed for feminine hygiene in connection with the human menstrual cycle but does not include grooming and hygiene products. The bill defines "grooming and hygiene products" as well.

LB 170 is expected to reduce revenue to the following funds:

Fiscal Year	General Fund	State Highway Capital	Highway Allocation Fund	Total
		Improvement Fund		
2019-2020	\$972,000	\$34,000	\$6,000	\$1,013,000
2020-2021	\$1,498,000	\$61,000	\$11,000	\$1,569,000
2021-2022	\$1,538,000	\$62,000	\$11,000	\$1,612,000
2022-2023	\$1,580,000	\$64,000	\$11,000	\$1,655,000

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

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

Major Objects of Expenditure								
Class Code	Classification Title	19-20 <u>FTE</u>	20-21 <u>FTE</u>	21-22 <u>FTE</u>	19-20 <u>Expenditures</u>	20-21 <u>Expenditures</u>	21-22 <u>Expenditures</u>	
Benefits	Benefits							
Operating Costs								
Travel								
Capital Outlay								
Capital Improvements								
	Total							