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 DATE PREPARED: February 18, 2008  
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**LB 1039**

Revision: 00

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *</b>				
	<b>FY 2008-09</b>		<b>FY 2009-10</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS	55,000	0	0	0
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>55,000</b>	<b>0</b>	<b>0</b>	<b>0</b>

\*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB1039 creates the Agricultural Land Valuation Task Force. The task force shall consist of the Property Tax Administrator plus 8 members appointed by the Executive Board of the Legislative Council. The task force is charged with developing a report which will serve as the basis for an income capitalization approach to valuation of agricultural land. The task force is to provide their report to the Legislature's Revenue Committee by March 1, 2009 and shall terminate on January 1, 2010. Section 1, subsection 3, also provides that the task force shall contract with the University of Nebraska College of Agricultural Science and Natural Resources for purposes of developing the report and a \$50,000 appropriation is called for.

Section 1, subsection 5, also calls for the Dept of Revenue to prepare a report which analyzes alternative methods of determining the value of agricultural land, including a method based on establishing the relationship between soil productivity and value. Such report is due by December 1, 2008. The costs for this study could vary substantially and would be determined by the depth and level of analysis.

Cost impacts of this bill consist of the \$50,000 contract cost with the University, approximately \$5,000 for task force member expenses as provided for in subsection 2 and assumes six meetings. In addition there could be some additional costs for the Dept of Revenue report as noted above.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Mike Salzwedel	DATE	2/14/08	PHONE	471-2526
COMMENTS					
UNIVERSITY OF NE – Concur.					