PREPARED BY: DATE PREPARED: PHONE: Keisha Patent February 19, 2020 402-471-0059

LB 930

Revision: 00

FISCAL NOTE LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)					
	FY 2020-21		FY 2021-22		
_	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 930 amends the Property Tax Credit Act to require for tax year 2020 and each tax year thereafter, the minimum amount of relief granted under the act must be \$275,000,000. The bill specifies if money is transferred or credited to the Property Tax Credit Cash Fund pursuant to another law, the amount is added to the minimum amount required.

The amount transferred to the Property Tax Credit program was increased in the 2019 biennial budget, and total relief under the program will be \$275 million in FY20 and FY21. The current financial status for the following biennium assumes the amount of relief will remain the same, and therefore, the minimum amounts contemplated in LB 930 are already included. As a result, the fiscal impact of LB 930 is zero.

The Department of Revenue estimates no cost to implement the bill. There is no basis to disagree with this estimate.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE				
LB: 930	AM:	AGENCY/POLT. SUB: Department of Revenue		
REVIEWED BY:	l ee Will	DATE: 02/19/2020	PHONE: (402) 471-4175	

COMMENTS: Concur with the Department of Revenue's assessment of \$51 million annually being transferred from the General

Fund to the Property Tax Credit Cash Fund, accounting for the increase and amending statute 77-4212.

The Property Tax Credit Cash Fund is currently financed with a \$275 million appropriation in FY 20 and FY 21. The bill does not,

however, increase the Fund over base year FY 21 and will not impact FY 22 & FY 23 on the General Fund financial status.

LB 930 Fiscal Note 2020

State Agency Estimate							
State Agency Name: Department of Revenue				Date Due LFA:			
Date Prepared:			F	Phone: 471-5896			
FY 2020-2021		FY 202	FY 2021-2022		FY 2022-2023		
Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue		
	\$0		\$(51,000,000)		\$(51,000,000)		
\$0	\$0	\$51,000,000	\$51,000,000	\$51,000,000	\$51,000,000		
\$0	\$0	\$51,000,000	\$0	\$51,000,000	\$0		
	FY 2020- Expenditures	Date Prepared	Date Prepared: FY 2020-2021 FY 2020-2021 Expenditures Revenue Expenditures S0 \$51,000,000	Revenue Expenditures Date Prepared: FY 2021-2022 Expenditures Revenue Expenditures Revenue \$0 \$0 \$(51,000,000) \$0 \$51,000,000 \$51,000,000	Revenue Date Due LFA: Date Prepared: Phone: 471-5896 FY 2020-2021 FY 2021-2022 FY 2021 Expenditures Revenue Expenditures \$0 \$(51,000,000) \$(51,000,000) \$0 \$51,000,000 \$51,000,000		

LB 930 amends Neb. Rev. Stat. § 77-4212 to set the minimum amount of relief granted under the Property Tax Credit Act at \$275 million and requires that any money credited or transferred to the Property Tax Credit Cash Fund, as directed by other state law, be added to the minimum amount when determining the total amount of real property tax relief to be granted.

LB 930 will result in transferring \$51 million in General Fund revenues to the Property Tax Credit Cash Fund as follows:

Fiscal Year	General Fund Transfer Out	Property Tax Credit Cash Fund
2021-2022	\$51,000,000	\$51,000,000
2022-2023	\$51,000,000	\$51,000,000
2023-2024	\$51,000,000	\$51,000,000

It is estimated that there will be no cost to the Department to implement this bill.

The operative date for this bill is three months after adjournment.

Major Objects of Expenditure							
Class Code	Classification Title	20-21 <u>FTE</u>	21-22 <u>FTE</u>	22-23 <u>FTE</u>	20-21 Expenditures	21-22 Expenditures	22-23 Expenditures
	<u></u>						
Operating Costs.							
Capital Outlay							
Total							