PREPARED BY: DATE PREPARED: PHONE: Keisha Patent February 13, 2020 402-471-0059

LB 1087

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 1087 requires county treasurers to accept partial payments for current or delinquent real property taxes, personal property taxes, or both, or any charges for interest, publication, penalties, or other charges, and hold such payments in escrow.

This bill is estimated to have no fiscal impact to the state. The Department of Revenue estimates no impact to General Fund revenue and no cost to implement the bill.

The Nebraska Association of County Officials (NACO) estimates some additional costs associated with banking costs, software updates, and additional staff time in counties that do not currently accept partial payments. NACO's response indicates at least 32 counties do not currently accept partial payments.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE				
LB: 1087	AM:	AGENCY/POLT. SUB: Department of Revenue		
REVIEWED BY:	Lee Will	DATE: 02/17/2020	PHONE: (402) 471-4175	
COMMENTS: Concur with the Department of Revenue's assessment of no fiscal impact.				

ADMINIS	STRATIVE SER	RVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &	POLT. SUB. RESPONSE	
LB: 1087	AM:	AGENCY/POLT. SUB: Nebraska Association of	of County Officials (NACO)	
REVIEWED BY:	Lee Will	DATE: 01/27/2020	PHONE: (402) 471-4175	
COMMENTS: No basis to disagree with NACO's assessment of increased costs for additional staffing and software changes associated with the allowance of partial tax payments or charges.				

LB 1087 Fiscal Note 2020

State Agency Estimate						
State Agency Name: Department of Revenue Date Due LFA:						
Approved by: Tony Fulton	Date Prepared: Phone: 471-5896					
	FY 2020	0-2021	FY 202	21-2022	FY 2022	2-2023
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue
General Funds				1		
Cash Funds						
Federal Funds						
Other Funds						
Total Funds						

LB1087 amends Neb. Rev. Stat. § 77-1704.02 and 77-1719.03 to require county treasurers to accept, in escrow, partial payments for the discharge of current or delinquent property taxes until either half of the taxes currently due or the full amount of any delinquent taxes plus interest, penalties, or other charges due to the delinquency are paid. The bill also provides the county treasurer the authority to require an escrow agreement and/or a minimum, limited, or periodic payment amount as a condition for acceptance of payments.

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

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

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
Benefits			• • • • • • • • • • • • • • • • • • • •				
Operating Costs							
Travel							
Capital Improvemen	ıts						

LB ⁽¹⁾ 1087			FISCAL NOTE
State Agency OR Political Subdivision Name: (2	Nebraska Associa	ation of County Officials	(NACO)
Prepared by: (3) Elaine Menzel	Date Prepared: (4)	1/23/2020 Phone:	402.434.5660
ESTIMATE PRO	<u>VIDED BY STATE AGE</u>	NCY OR POLITICAL SUBDI	VISION
F	Y 2020-21	FY 20	<u>021-22</u>
EXPENDITURE		<u>EXPENDITURES</u>	REVENUE
GENERAL FUNDS			
CASH FUNDS			
FEDERAL FUNDS	_	_	
OTHER FUNDS			
TOTAL FUNDS	<u> </u>		
Explanation of Estimate:			
charges and must hold for payments in items or additional bank account set up. A mandate such as this would require to current software systems for tracking to treasurer to track partial payments, received that would use this option is unknown. In a survey of the 93 counties, 65 countier respondents, 28 counties do not cure counties do not accept partial payments accept partial payments for real or personnel.	treasurers that do not a ax payments. Additional eipting and reconciliation ty treasurers responde arrently accept partial p s; therefore, LB 1087 v	may be incurred by counties already accept partial paymally, it would require addition of escrow accounts. The d or approximately 70 percayments of current real pro	ents to set up or modificate nation staff time of the enumber of taxpayers ent of the counties. Or perty taxes, 32
BREAKDO Personal Services:	WN BY MAJOR OBJEC	TS OF EXPENDITURE	
I discillat per vices.	NUMBER OF POSITION 20-21 21-22	IS 2020-21 EXPENDITURES	2021-22 EXPENDITURES
Benefits			
Operating			
Travel			
Capital outlay			
Aid			
Capital improvements			
TOTAL			