

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2023-24		FY 2024-25	
	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 4 amends provisions related to the homestead exemption regarding application frequency, certification of medical status, mailing of notice by county assessors, and penalties for failing to notify of a change in status. The bill also creates a new category of eligible veteran: veterans who were discharged honorably, drawing compensation from the US Department of Veterans Affairs because of a 100% service-connected temporary disability and not eligible under the other enumerated categories; an unremarried spouse of such veteran; or a remarried spouse of such veteran who remarries after attaining the age of 57.

The operative date for this bill is January 1, 2024.

The Department of Revenue (DOR) estimates no additional General Fund expenditures due to the created eligibility category because the persons described are already eligible. The DOR also estimates minimal costs to implement the bill. There is no basis to disagree with these estimates. The Douglas County Assessor estimates no fiscal impact, as well.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 4	AM:	AGENCY/POLT. SUB: Department of Revenue	
REVIEWED BY: Neil Sullivan		DATE: 1/23/2023	PHONE: (402) 471-4179
COMMENTS: The Department of Revenue assessment of minimal fiscal impact from LB 4 appears reasonable.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 4	AM:	AGENCY/POLT. SUB: Douglas County Assessor	
REVIEWED BY: Neil Sullivan		DATE: 1/23/2023	PHONE: (402) 471-4179
COMMENTS: The assessment of no fiscal impact to the Douglas County Assessor from LB 4 appears reasonable.			

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

2023

LB⁽¹⁾ 4

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Douglas County Assessor

Prepared by: ⁽³⁾ Michael Goodwillie

Date Prepared: ⁽⁴⁾ 1/20/2023(402)
444-6703

Phone: ⁽⁵⁾ _____

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2023-24</u>		<u>FY 2024-25</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:

LB 4 would make some changes to the homestead exemption program. It would add those veterans with a temporary 100% disability rating from a service-connected disability to the class of recipients who receive a homestead exemption on the full value of their homes, regardless of the home’s value or the recipient’s income. (Most homestead recipients are subject to a “means test” based on their income and the value of their home.) This new class of recipients would file an annual application but would only be required to provide a certification of their disability status every five years.

The bill makes several other administrative changes. Those veterans with a permanent disability rating of 100% due to a service-connected disability would only have to file an application once every five years. It also adds a “clawback” provision that could be invoked if it is later learned that an applicant received homestead exemption improperly based on a misrepresentation of the applicant’s situation. The taxes that would have been paid if not for the homestead exemption can be recovered—the assessor would revoke the exemption and the back taxes would become a lien on the subject property. There is a mechanism to appeal that revocation decision to the county board of equalization.

Per Benson Elmore, the Director of the Douglas County Veterans Service Office, in Douglas County there are approximately 106 veterans in the new category proposed by LB 4—100% temporary disability due to service-connected injury. Given that this office processes about 12,000 homestead applications a year and that not all of the 106 veterans in this category will be homeowners, we think that the administrative impact of LB 4 on our office will be minimal and can be dealt with by existing staff. We see **no fiscal impact from LB 4 on our office.**

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2023-24</u>	<u>2024-25</u>
	<u>23-24</u>	<u>24-25</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____

