

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		(\$37,000)		(\$61,000)
CASH FUNDS		(\$1,300)		(\$2,500)
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		(\$38,300)		(\$63,500)

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

LB 96 adds twine used in commercial agriculture as exempt from sales and use taxes. The bill defines twine as a strong string of two or more strands twisted together used in the baling of livestock feed or bedding. The bill also changes the definition of net wrap to be plastic wrap used in the baling of livestock feed or bedding.

The operative date of the bill is October 1, 2023.

The Department of Revenue (DOR) estimates the revenue reduction from this bill as follows:

Fiscal Year	General Fund	State Highway Capital Improvement Fund	Highway Allocation Fund
FY23-24	\$37,000	\$1,300	\$200
FY24-25	\$61,000	\$2,500	\$400
FY25-26	\$68,000	\$2,700	\$500
FY26-27	\$74,000	\$3,000	\$500

There is estimated to be a revenue loss to the State Highway Capital Improvement Fund and the Highway Allocation Fund, which is distributed to cities and counties.

The DOR estimates minimal costs to implement the bill.

The estimates from the Department of Transportation are from the DOR.

There is no basis to disagree with these estimates.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 96	AM:	AGENCY/POLT. SUB: Department of Revenue
REVIEWED BY: Neil Sullivan	DATE: 1/24/2023	PHONE: (402) 471-4179
COMMENTS: The Department of Revenue assessment of fiscal impact from LB 96 appears reasonable.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 96 AM: AGENCY/POLT. SUB: Department of Transportation

REVIEWED BY: Neil Sullivan DATE: 1/24/2023 PHONE: (402) 471-4179

COMMENTS: The Department of Transportation assessment of fiscal impact from LB 96 appears reasonable.

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

2023

LB⁽¹⁾ 96

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Department of Transportation

Prepared by: ⁽³⁾ Liza Alderman Date Prepared: ⁽⁴⁾ 1/19/23 Phone: ⁽⁵⁾ 402-479-4692

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	_____	\$ (1,300)	_____	\$ (2,500)
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	\$ (200)	_____	\$ (400)
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

LB96 states sales and use tax shall not be imposed on the gross receipts from the sale, lease, or rental of twine purchased for use in commercial agriculture. Twine is described as a strong string of two or more strands twisted together used in the baling of livestock feed or bedding. The operative date of the bill is October 1, 2023.

Revenue to Build Nebraska Act Funds				
	FY2023/24	FY2024/25	FY2025/26	FY2026/27
State Highway Capital Improvement Fund	\$ (1,300.00)	\$ (2,500.00)	\$ (2,700.00)	\$ (3,000.00)
Highway Allocation Fund (cities and counties)	\$ (200.00)	\$ (400.00)	\$ (500.00)	\$ (500.00)
Total	\$ (1,500.00)	\$ (2,900.00)	\$ (3,200.00)	\$ (3,500.00)

This estimate of decreased tax revenue was obtained from the Nebraska Department of Revenue. The change in the sales tax base will minimally reduce revenues to the Build Nebraska Act funds resulting in less available funding to the State Highway Capital Improvement Fund for NDOT and the Highway Allocation Fund for cities and counties.

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.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____