PREPARED BY: DATE PREPARED: PHONE: Shelly Glaser February 07, 2023 402-471-0052

LB 384

Revision: 00

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	\$22,956	(\$1,373,000)		(\$1,573,000)					
CASH FUNDS		\$1,381,000		\$1,584,000					
FEDERAL FUNDS									
OTHER FUNDS									
TOTAL FUNDS	\$22,956	\$8,000		\$11,000					

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

LB384 directs all proceeds of sales and use taxes imposed pursuant to section 77-2703 on the sale or lease of aircraft as defined in section 3-101, on or after July 1, 2023, be credited to a newly created Nebraska Department of Transportation Aeronautics Capital Improvement Fund pursuant to 77-27,132. In addition, transfers authorized by the Legislature, and any gifts, grants, bequests, or donations credited to the fund will also be held in this fund. The Nebraska Department of Transportation Aeronautics Capital Improvement Fund shall be utilized to build, repair, renovate, rehabilitate, restore, modify, or improve infrastructure at any public-use airport licensed by the Nebraska Department of Transportation Division of Aeronautics. LB384 also states the money in this fund is available for investment by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

Expenditures:

The Nebraska Department of Revenue (NDOR) has indicated they would incur a one-time programming charge of \$22,956 for OCIO development costs associated with this bill in FY2023-24 only.

The Nebraska Department of Transportation (NDOT) has specified no additional expenses nor employees would be needed to administer this new fund.

Revenues:

NDOR has estimated the impact of LB384 to be as follows:

- A reduction of general fund revenue in FY2023-24 of (\$1,373,000) and (\$1,573,000) in FY2024-25.
- An increase of cash fund revenue in FY2023-24 of \$1,381,000 and \$1,584,000 in FY2024-25.
- A loss of highway allocation fund revenue (distributed to cities and counties, thus not shown in the state fiscal impact boxes above) in FY2023-24 of (\$8,000) and (\$11,000) in FY2024-25.

NDOT has specified LB384 would cause:

- A loss of cash fund revenue into their State Highway Capital Improvement Fund in FY2023-24 of (\$46,000) and (\$64,000) in FY2024-25.
- An increase in cash fund revenue to the new NDOT Aeronautics Capital Improvement Fund in FY2023-24 of \$1,427,000 and \$1,648,000 in FY2024-25.
- A net increase in cash fund revenue of \$1,381,000 in FY2023-24 and \$1,584,000 in FY2024-25.
- Less cash funding for roads improvements, yet more cash funding for airport improvements over the whole biennium.
- A loss of highway allocation fund revenue (distributed to cities and counties, thus not shown in the state fiscal impact boxes above) in FY2023-24 of (\$8,000) and (\$11,000) in FY2024-25.

The Nebraska State Treasurer (NST) has indicated no fiscal impact.

There is no basis to disagree with either the NDOR, NDOT nor NST estimates.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE							
LB:	384	AM:	AGENCY/POLT	. SUB: State Tre	asurer		
REVI	EWED BY:	Lee Will	DATE:	1/28/2023	PHONE: (402) 471-4175		
COMMENTS: Concur with the State Treasurer's assessment of no fiscal impact.							

LB 384 Fiscal Note 2023

		State Agency	Estimate			
State Agency Name: Depa	artment of Revenue				Date Due LFO:	
Approved by:		Date Prepared:	02/07/2023		Phone: 471-5896	
	FY 2023-	-2024	FY 202	4-2025	FY 202	<u>5-2026</u>
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue
General Funds	\$22,956	(\$1,373,000)		(\$1,573,000)		(\$1,652,000)
Cash Funds		\$1,381,000		\$1,584,000		\$1,664,000
Federal Funds						
Other Funds		(\$8,000)		(\$11,000)		(\$12,000)
Total Funds	\$22,956	\$ 0		\$ 0		\$ 0

LB 384 creates the Department of Transportation Aeronautics Capital Improvement Fund (Fund), which the Department of Transportation will administer and use to build, repair, renovate, rehabilitate, restore, modify, or improve any infrastructure at any public-use airport licensed by the Division of Aeronautics of the Department of Transportation.

For transactions occurring on or after July 1, 2023, LB 384 credits to the Fund all proceeds from the sales and use taxes imposed on the sale or lease of aircraft, as defined in Neb. Rev. Stat. § 3-101.

The estimated impact of the bill is expected to be as follows:

	General Fund	State Highway Capital Improvement Fund	Highway Allocation Fund	DOT Aeronautics Capital Improvement Fund	
FY 2023-2024	(\$1,373,000)	(\$46,000)	(\$8,000)	\$1,427,000	
FY 2024-2025	(\$1,573,000)	(\$64,000)	(\$11,000)	\$1,648,000	
FY 2025-2026	(\$1,652,000)	(\$67,000)	(\$12,000)	\$1,731,000	
FY 2026-2027	(\$1,734,000)	(\$70,000)	(\$12,000)	\$1,816,000	

LB 1033 will require a one-time programming charge of \$22,956 to be paid to the OCIO for development costs.

The operative date for this bill is July 1, 2023.

	Major	Objects of F	Expendit	ure			
Class Code	Classification Title	23-24 <u>FTE</u>	24-25 <u>FTE</u>	25-26 <u>FTE</u>	23-24 Expenditures	24-25 Expenditures	25-26 Expenditures
Operating Costs					\$22,956		
Travel							
Capital Outlay							
Capital Improvements							
Total			•••••	••••••	\$22,956		

LB ⁽¹⁾ 384								FIS	CAL NOTE
State Agency OR	Political S	Subdivision Name: (2)	Neb	raska Departn	nent of	Transpo	rtation		
Prepared by: (3)	Liza A	lderman	D	ate Prepared: (4)	2/7/23		Phone: (5)	402	2-479-4692
]	ESTIMATE PROV	IDED I	BY STATE AGEN	NCY OR	<u>POLITIC</u>	AL SUBDIVIS	ION	
		EXPENDITURES	<u>2023-9</u> S	24 <u>REVENUE</u>	<u>E</u>	<u>XPENDIT</u>	<u>FY 2024</u> <u>'URES</u>		<u>REVENUE</u>
GENERAL FUN	DS	-	_						
CASH FUNDS		See below*	_	See below		See belo	ow*		See below
FEDERAL FUN	DS		_						
OTHER FUNDS	\$		_						
TOTAL FUNDS	,		=		: =				
(NDOT) and sha use airport licens imposed pursua	III be use sed by th nt to sec	o the fund. The fund of to build, repair, re ne Division of Aeror tion 77-2703 on the ation Aeronautics (enovate nautics e sale o	e, rehabilitate, res of NDOT. The bil r lease of aircraft	tore, mo l also pro as defin	dify, or impoposes all ed in secti	prove infrastruproceeds of son 3-101 are	icture ales a credi	at any public- and use taxes ted to the
		F	Revenue	to Build Nebrasi					
State Highway	Canital I	mprovement Fund		FY2023-2024 (\$46,000))24-2025 (\$64,000)	FY 2025-20 (\$67,0		FY 2026-2027 (\$70,000
		d (cities and count	ies)			\$11,000)			(\$12,000
Total				(\$54,000)	((\$75,000)	(\$79,0	00)	(\$82,000
		Revenu	e to Ae	ronautics Capital	Improve	ment Fund	d		
				FY2023-2024		24-2025	FY 2025-20		FY 2026-2027
Aeronautics Ca	ıpital Imp	provement Fund		\$1,427,000	\$1	,648,000	\$1,731,	000	\$1,816,00
employees (FTE	s) will be	nue was obtained t e needed to admini raska Act minimall	ster the	new fund. Chan	ges in th	ne distribut			
Personal Service	s:	<u>BREAKDOY</u>	VN BY	MAJOR OBJECT	S OF EX	<u> XPENDIT</u>	<u>URE</u>		
	ION TI		UMBE <u>23-24</u>	R OF POSITIONS 24-25		2023-2 XPENDIT		EXI	2024-25 PENDITURES
Benefits					 -				
					_				
					_				
-					=				
					=	\$1,427,0	100*	\$	1,648,000*
					-	· , · — · , ·	<u> </u>		<u>, · · · · · · · · · · · · · · · · · · ·</u>

LB ⁽¹⁾ 384				FISCAL NOTE
State Agency OR Political Subdivision Name: (2)	State Treasurer			
Prepared by: (3) Jason Walters	Date Prepared: (4)	January 25, 2023	Phone: (5)	402-471-2793
ESTIMATE PROV	IDED BY STATE AGEN	CY OR POLITICAL	SUBDIVIS	SION
EV	0000 04		EV 4044	az
EXPENDITURES	2023-24 REVENUE	EXPENDITU	<u>FY 2024</u> RES	REVENUE
GENERAL FUNDS				
CASH FUNDS		-		
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	=			
Explanation of Estimate:				
•				
BREAKDOV Personal Services:	VN BY MAJOR OBJECT	S OF EXPENDITU	<u>RE</u>	
	UMBER OF POSITIONS 23-24 24-25	S 2023-24 <u>EXPENDITU</u>	URES	2024-25 EXPENDITURES
Benefits				
Operating				
Travel				
Capital outlay				
Aid				
Capital improvements				
ΤΟΤΔΙ				