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 DATE PREPARED: January 26, 2024
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LB 991

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2024-25		FY 2025-26	
	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 991 adopts the Blockchain Basics Act (Act). The Act establishes requirements, defines terms, and provides prohibitions regarding the State or any political subdivision.

In addition, the Act provides that controllable electronic record used as a method of payment shall not be subject to any Nebraska income tax for any transaction valued at two hundred dollars or less.

The Department of Revenue does not anticipate any increases in revenue as a result of this Act. There is no basis to disagree with the Department of Revenue’s assessment.

The Department of Banking was unable to submit a fiscal note by the time of posting. It is unknown if there would be any fiscal impact to the agency.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 991	AM:	AGENCY/POLT. SUB: Department of Revenue	
REVIEWED BY: Ryan Walton	DATE: 1/26/2024	PHONE: (402) 471-4174	
COMMENTS: The Department of Revenue’s assessment of no fiscal impact from LB 991 appears reasonable.			

- Individuals engaging in home digital asset mining, a digital asset mining business, or operating a node or a series of nodes on a blockchain protocol are not required to obtain a license under the Nebraska Money Transmitters Act.
- Businesses offering to provide staking as a service for individuals or other businesses must not be considered as offering a security under the Securities Act of Nebraska.
- Digital asset mining businesses may engage in digital asset mining in areas zoned for industrial use.
- Political subdivisions are prohibited from certain actions related to the above businesses.

The Act defines blockchain, blockchain protocol, controllable electronic record, digital asset mining, digital asset mining business; hardware storage wallet, home digital asset mining; node; self-hosted wallet; staking; and staking as a service.

It is estimated that LB 991 will have no impact on General Fund revenues.

It is estimated that there will be no cost to the Department of Revenue to implement LB 991.