

PREPARED BY: John Wiemer
 DATE PREPARED: January 19, 2024
 PHONE: 402-471-0051

LB 1010

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		(\$43,547,000)		(\$126,428,000)
CASH FUNDS		\$43,547,000		\$126,428,000
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		\$0		\$0

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

LB 1010 would make changes to Section 79-1021 so that every year beginning in 2024 the Department of Revenue (DOR) would need to certify to the State Treasurer the amount of tax credits that remain unclaimed under the Nebraska Property Tax Incentive Act for the tax year completed four years prior. The State Treasurer would then transfer the amount from the General Fund to the Education Future Fund to be used solely for the purpose described in subdivision (2)(b) of section 79-1021 regarding reimbursements related to special education under section 79-1142. The amount that would be transferred would be in addition to any amount transferred pursuant to subsection (3) of section 79-1021. Finally, the bill adds that the amounts that would be transferred to the Education Future Fund under this bill would be the primary source of funding for the reimbursement under section 79-1142 and if additional funds are needed, then any other funds available in the Education Future Fund could be used.

The DOR estimates the following fiscal impact to General Fund revenues and the Education Future Fund as a result of this bill:

General Fund

FY24-25: (\$43,547,000)
 FY25-26: (\$126,428,000)
 FY26-27: (\$38,099,000)

Education Future Fund

FY24-25: \$43,547,000
 FY25-26: \$126,428,000
 FY26-27: \$38,099,000

The DOR also estimates that there will be no cost to the DOR to implement the bill.

There is no basis to disagree with these estimates by the DOR.

The State Treasurer estimates no fiscal impact as a result of this bill. There is no basis to disagree with this estimate.

The Department of Education notes that the additional funding from this bill would help with the sustainability of the Education Future Fund.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE				
LB:	1010	AM:	AGENCY/POLT. SUB: State Treasurer	
REVIEWED BY:	Gary Bush	DATE:	1/17/24	PHONE: (402) 471-4161
COMMENTS: Agree with the agency's estimate of no fiscal impact to the agency.				

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

LB: 1010 AM: AGENCY/POLT. SUB: Nebraska Department of Education

REVIEWED BY: Gary Bush DATE: 1/11/24 PHONE: (402) 471-4161

COMMENTS: Agree with the agency that the bill would transfer General Funds to the Education Future Fund.
Note: The Nebraska Property Tax Incentive Act is an individual income tax credit. By directing a transfer, the bill will have a negative General Fund impact.

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

LB: 1010 AM: AGENCY/POLT. SUB: Department of Revenue

REVIEWED BY: Gary Bush DATE: 1/17/24 PHONE: (402) 471-4161

COMMENTS: Agree with agency on the fiscal impact of the bill.

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

2024

LB⁽¹⁾ 1010

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ NE Department of Education

Prepared by: ⁽³⁾ Bryce Wilson Date Prepared: ⁽⁴⁾ 1/8/24 Phone: ⁽⁵⁾ 402-471-4320

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2024-25</u>		<u>FY 2025-26</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 1010 requires the State Treasurer to move unclaimed property tax credits into the Education Future Fund after four years. The additional funding source will help the sustainability of the Education Future Fund. Fiscal impact cannot be determined at this time.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25</u>	<u>2025-26</u>
	<u>24-25</u>	<u>25-26</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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

2024

LB⁽¹⁾ 1010

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ State Treasurer

Prepared by: ⁽³⁾ Jason Walters Date Prepared: ⁽⁴⁾ Jan. 9, 2024 Phone: ⁽⁵⁾ 402-471-2793

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2024-25</u>		<u>FY 2025-26</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:

The State Treasurer’s Office doesn’t expect any fiscal impact from LB 1010 to the office.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25</u>	<u>2025-26</u>
	<u>24-25</u>	<u>25-26</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____