

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2025-26		FY 2026-27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		(\$12,061,896)		(\$13,413,896)
CASH FUNDS	See Below	\$802,174	See Below	(\$380,700)
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		(\$11,259,722)		(\$13,794,596)

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

LB 468 reduces the transfer by \$5 from the Securities Act Cash Fund to the General Fund from FY26 through FY29. The bill adds that, beginning July 1, 2025, the State Treasurer shall distribute \$5 million annually from the Securities Act Cash Fund to the counties proportionately in the proportion that the population of each county bears to the entire state, as shown by the last federal decennial census.

The bill raises the fee from \$25 to \$40 for the entire proceedings of a marriage license, administering the related oaths or affirmations, and recording a marriage certificate. The additional fee of \$9 for each certified copy of a marriage record on file in the office of the county clerk is changed to \$15. These fees are deposited in the county general fund. The bill adds that it is the intent of the Legislature to examine the amount of the fees at least once every 5 years beginning in 2030 in order to determine whether such fees should be adjusted.

The bill changes county sheriff identification fee from \$10 to \$20 plus mileage at the rate provided in section 33-117 for each mile in excess of 10 miles that was actually and necessarily traveled in conducting the identification inspection. This fee is credited to the county general fund. The bill adds that it is the intent of the Legislature to examine the amount of the fee at least once every 5 years beginning in 2030 in order to determine whether such fee should be adjusted.

Under the bill, the percentage of the motor vehicle tax proceeds collected for costs incurred by the county treasurer is changed from 1% to 2%. The bill changes the percentage allocated to counties of motor vehicle tax proceeds from 22% to 21.8%. For cities and villages, the percentage is changed from 18% to 18.2%, except that if the tax district is not in a city or village, 40% shall be allocated to the county, and in counties containing a city of the metropolitan class, the percentage is changed from 18% to 18.2% for what is allocated to the county and the percentage is changed from 22% to 21.8% for what is allocated to the city or village.

LB 468 increases the documentary stamp tax from \$2.25 to \$2.75 for each \$1,000 value of real estate, or fraction thereof.

The bill also changes the distribution of the tax.

Currently, the tax is distributed as follows:

- \$0.50 to county general funds
- \$0.95 to the Affordable Housing Trust Fund
- \$0.25 to the Site and Building Development Fund
- \$0.25 to the Homeless Shelter Assistance Trust Fund
- \$0.30 to the Behavioral Health Services Fund

The bill changes the distribution to the following:

- \$1.35 to county general funds
- \$0.90 to the Affordable Housing Trust Fund
- \$0.25 to the Homeless Shelter Assistance Trust Fund
- \$0.25 to the Behavioral Health Services Fund

The bill changes the distribution of car line taxes so that they are distributed to counties to the credit of the county general fund in the same proportion that the total property taxes levied in the county bears to the total property taxes levied in the state as a whole, as certified pursuant to section 77-1613.01, instead of for distribution among the taxing subdivisions in proportion to all railroad taxes levied by taxing subdivisions.

The bill changes the percentages of the distributions of the premium taxes collected by the Department of Insurance from 40% to 30% going to the General Fund and adds that 10% of such taxes paid are distributed to the counties proportionately in the proportion that the population of each county bears to the entire state, as shown by the last federal decennial census, and no later than May 1 of each year.

The bill changes the fee for issuing distress warrants from \$2 to \$20 credited to the county general fund. The bill adds that it is the intent of the Legislature to examine the amount of the fee at least once every 5 years beginning in 2030 in order to determine whether such fee should be adjusted.

The bill amends section 77-1804 regarding the \$5 fee of real property subject to sale so the fee is changed to \$20. The bill adds that it is the intent of the Legislature to examine the amount of the fee at least once every 5 years beginning in 2030 in order to determine whether such fee should be adjusted.

The bill changes section 77-2005 so that for decedents dying on or after July 1, 2025, the inheritance tax rate would be changed to 1% of the clear market value of the property received by each person in excess of \$100,000.

The bill changes section 77-2006 so that for decedents dying on or after July 1, 2025, the inheritance tax rate would be changed to 1% of the clear market value of the beneficial interests received by each person in excess of \$100,000.

The bill changes the tax rate of the nameplate capacity tax from \$3,518 per megawatt to \$6,560 per megawatt. The bill adds that on January 1, 2027 and on each January 1 thereafter, the Department of Revenue (DOR) shall adjust the tax rate by the average annual percentage change in the total amount of property taxes levied statewide over the most recent 10-year period for which such information is available. If the adjusted tax rate is not a whole dollar amount, it shall be rounded to the nearest whole dollar amount.

The bill amends the ImagiNE Act. Section 77-6831 is amended so that sales and use tax incentives are removed under subsection (1)(c) and property tax exemptions under subsection (8)(b) and (8)(c).

The bill outright repeals sections 77-2701.54 and 77-2704.62 to remove the sales tax exemption regarding data centers.

The bill is operative on July 1, 2025.

The bill contains the emergency clause.

Revenues:

The Department of Banking and Finance estimates an increase of \$5 million in the Securities Act Cash Fund as a result of the reduced General Fund transfers from the Fund. There would also be a reduction in General Fund revenue by \$5 million each fiscal year due to the reduced transfer from the Securities Act Cash Fund to the General Fund.

The Department of Insurance estimates General Fund revenue losses due to the changes to the premium tax in the bill of \$13,823,896 in FY26 and FY27. There is no basis to disagree with this estimate.

The revenue estimates of the Department of Economic Development (DED) and DOR for changes to the documentary stamp tax have been averaged and are the following:

Fiscal Year	County	Affordable Housing Trust Fund	Site and Building Development Fund	Homeless Shelter Assistance Trust Fund	Behavioral Health Services Trust Fund
25-26	\$ 10,804,005	\$ (635,618)	\$ (3,177,590)	\$ -	\$ (635,618)
26-27	\$ 13,598,200	\$ (800,100)	\$ (3,999,500)	\$ -	\$ (800,100)

The DOR estimates the following increase to General Fund revenues as a result of changes to the Imagine Act:

- FY27: \$0
- FY28: \$4,599,000
- FY29: \$9,429,000
- FY30: \$9,900,000
- FY31: \$10,395,000
- FY32: \$10,915,000

There is no basis to disagree with this estimate by the DOR.

The DOR estimates the following increase to revenues as a result of repealing the sales tax exemption for data centers:

Fiscal Year	General Fund revenues	Highway Trust Fund	Highway Allocation Fund	Total
FY25-26	\$ 6,762,000	\$ 251,000	\$ 44,000	\$ 7,057,000
FY26-27	\$ 5,410,000	\$ 219,000	\$ 39,000	\$ 5,668,000
FY27-28	\$ 4,328,000	\$ 175,000	\$ 31,000	\$ 4,534,000
FY28-29	\$ 3,462,000	\$ 140,000	\$ 25,000	\$ 3,627,000

There is estimated to be a revenue increase to the Highway Trust Fund and the Highway Allocation Fund, which is distributed to cities and counties. There is no basis to disagree with this estimate by the DOR.

Political subdivisions and the Nebraska Association of County Officials estimate various other increases for revenues as a result of the bill as well as reductions to revenues from the changes to inheritance tax under the bill.

Expenditures:

The Department of Banking and Finance estimates a need for \$5 million of appropriation each fiscal year as a result of \$5 million to be sent to counties from the Securities Act Cash Fund.

DED estimates the elimination of 1 FTE Economic Development Business Consultant II, as a result of the bill, reducing Cash Fund appropriations for DED by \$117,770 in FY26 and FY27. We estimate that there would be additional Cash Fund expenditure reductions in FY27 for DED due to salary and health insurance benefit increases.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 468	AM:	AGENCY/POLT. SUB: Supreme Court	
REVIEWED BY: Ryan Yang	DATE: 1/28/2025	PHONE: (402) 471-4178	
COMMENTS: No basis to disagree with the Supreme Court assessment of no fiscal impact from LB 468.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 468	AM:	AGENCY/POLT. SUB: State Treasurer	
REVIEWED BY: Ryan Yang	DATE: 1/28/2025	PHONE: (402) 471-4178	
COMMENTS: No basis to disagree with the State Treasurer assessment of no fiscal impact from LB 468.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 468	AM:	AGENCY/POLT. SUB: Department of Revenue	
REVIEWED BY: Ryan Yang	DATE: 2/3/2025	PHONE: (402) 471-4178	
COMMENTS: The Department of Revenue assessment of fiscal impact from LB 468 appears reasonable.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 468	AM:	AGENCY/POLT. SUB: Department of Insurance
REVIEWED BY: Ryan Yang	DATE: 2/3/2025	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the Department of Insurance assessment of fiscal impact from LB 468.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 468	AM:	AGENCY/POLT. SUB: Department of Motor Vehicles
REVIEWED BY: Ryan Yang	DATE: 1/28/2025	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the Department of Motor Vehicles assessment of no fiscal impact from LB 468.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 468	AM:	AGENCY/POLT. SUB: Nebraska Department of Transportation
REVIEWED BY: Ryan Yang	DATE: 2/3/2025	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the Nebraska Department of Transportation assessment of fiscal impact from LB 468.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 468	AM:	AGENCY/POLT. SUB: Department of Health and Human Services
REVIEWED BY: Ryan Yang	DATE: 2/1/2025	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the Department of Health and Human Services assessment of fiscal impact from LB 468.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 468	AM:	AGENCY/POLT. SUB: Nebraska State Patrol
REVIEWED BY: Ryan Yang	DATE: 2/1/2025	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the Nebraska State Patrol assessment of no fiscal impact from LB 468.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 468	AM:	AGENCY/POLT. SUB: Department of Economic Development
REVIEWED BY: Ryan Yang	DATE: 2/3/2025	PHONE: (402) 471-4178
COMMENTS: The Department of Economic Development assessment of fiscal impact from LB 468 appears reasonable.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 468	AM:	AGENCY/POLT. SUB: Nebraska Association of County Officials
REVIEWED BY: Ryan Yang	DATE: 2/3/2025	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the Nebraska Association of County Officials of fiscal impact from LB 468.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 468	AM:	AGENCY/POLT. SUB: Lancaster County
REVIEWED BY: Ryan Yang	DATE: 2/3/2025	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the Lancaster County assessment of fiscal impact from LB 468.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 468	AM:	AGENCY/POLT. SUB: Lancaster County Clerk's Office
REVIEWED BY: Ryan Yang	DATE: 1/28/2025	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the Lancaster County Clerk's Office assessment of fiscal impact from LB 468.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 468	AM:	AGENCY/POLT. SUB: Lancaster County Assessor/Register of Deeds
REVIEWED BY: Ryan Yang	DATE: 1/28/2025	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the Lancaster County Assessor/Register of Deeds assessment of indeterminate fiscal impact from LB 468.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 468	AM:	AGENCY/POLT. SUB: Lancaster County Treasurer
REVIEWED BY: Ryan Yang	DATE: 2/1/2025	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the Lancaster County Treasurer assessment of fiscal impact from LB 468.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 468	AM:	AGENCY/POLT. SUB: Lancaster County Sheriff's Office
REVIEWED BY: Ryan Yang	DATE: 1/28/2025	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the Lancaster County Sheriff's Office assessment of indeterminate fiscal impact from LB 468.		

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

2025

LB⁽¹⁾ 468

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Department of Banking and Finance

Prepared by: ⁽³⁾ Shauna Paolini Date Prepared: ⁽⁴⁾ 01.31.2025 Phone: ⁽⁵⁾ 402-471-4954

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2025-26</u>		<u>FY 2026-27</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS				
CASH FUNDS	5,000,000	5,000,000	5,000,000	5,000,000
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Explanation of Estimate:

Sec. 1 (7) reduces the annual transfers out of the Securities Act Cash Fund from \$34M to \$29M on or before June 30, 2026, and from \$28M to \$23M for subsequent years. The \$5M will be transferred to the counties. As a result of LB468, the transfers to the General Fund would decrease by \$5M annually. Lowering the amount of the transfers yearly creates a revenue fund increase within the Securities Fund. There is an equal amount of annual expenditure out of the fund, to outside entities, local counties, if LB468 passes. This will create the need for a \$5M appropriation increase for aid if the bill passes.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26 EXPENDITURES</u>	<u>2026-27 EXPENDITURES</u>
	<u>25-26</u>	<u>26-27</u>		
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				

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

2025

LB⁽¹⁾ 468

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Department of Economic Development

Prepared by: ⁽³⁾ Dave Dearmont Date Prepared: ⁽⁴⁾ 1/29/25 Phone: ⁽⁵⁾ (402) 471-3777

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2025-26</u>		<u>FY 2026-27</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS				
CASH FUNDS	<u>(\$117,770)</u>	<u>(\$3,691,415)</u>	<u>(\$117,770)</u>	<u>(\$4,735,200)</u>
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u>(\$117,770)</u>	<u>(\$3,691,415)</u>	<u>(\$117,770)</u>	<u>(\$4,735,200)</u>

Explanation of Estimate:

LB 468 seeks to change how certain funds to counties are distributed, to change provisions relating to certain fees and taxes, to change the amount and distribution of various taxes, including the documentary stamp tax, to eliminate a sales tax exemption for data centers, and to change provisions of the ImagiNE Nebraska Act. Portions of the bill that affect DED include changes to the ImagiNE Act and elimination of the transfer of funds from the Doc Stamp Tax to the Site and Building Development Fund (SBDF) and reducing the transfer to the Affordable Housing Trust Fund (AHTF).

LB 468 would amend the ImagiNE Act by eliminating the Modernization Tier of ImagiNE (\$50 million investment with no job increase). Consistent with these changes, Neb. Rev. Stat § 77-6833 would be amended to delete the second sentence of paragraph (1), which removes the language regarding the treatment of the average compensation and health coverage requirements as required levels of employment for purposes of recapture for these benefits.

The bill would also make changes to the Documentary Stamp Tax. LB468 would increase the tax rate from \$2.25 per \$1,000 of value to \$2.75 per \$1,000 and change the distribution of the proceeds of the tax. Specifically, the county share would increase from \$0.50 to \$1.35, the AHTF distribution would decrease from \$0.95 to \$0.90, the Behavioral Health distribution would also decrease by \$0.05 from \$0.30 to \$0.25, and the SBDF distribution is eliminated. Given the operating date of July 1, 2025, DED assumes that there is a two month lag between transfers subject to the tax and distribution to the cash funds. That is, the counties will remit taxes collected for June transfers to the Department of Revenue in July and these funds will be distributed in August to the various cash funds. The tables below show the forecasted net impact of LB468.

Net Impact of LB468 on Doc Stamp Distribution						
Fiscal Yr	Total	Homeless Shelter Assist	Affordable Housing	Behavioral Health	Site & Building Fund	County
LB468 Minus Current	\$0.50	\$0.00	(\$0.05)	(\$0.05)	(\$0.25)	\$0.85
2024-25	\$0	\$0	\$0	\$0	\$0	\$0
2025-26	\$6,152,358	\$0	(\$615,236)	(\$615,236)	(\$3,076,179)	\$10,459,009
2026-27	\$7,892,000	\$0	(\$789,200)	(\$789,200)	(\$3,946,000)	\$13,416,400

The portions of LB468 that affect the SBDF cash fund would impact the ability of the department to recruit new business and business expansions in Nebraska. The loss of funding would result in the elimination of responsibilities for one FTE Economic Development Business Consultant II. The portions of the bill dealing with Imagine would have no impact on DED's administration of the Imagine Act.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
A49012 Econ Dev. Bus. Consultant II	-1.00	-1.00	(\$66,520)	(\$66,520)
Benefits.....			(23,280)	(23,280)
Operating.....			(21,320)	(21,320)
Travel.....			(6,650)	(6,650)
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			(\$117,770)	(\$117,770)

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

2025

LB⁽¹⁾ 468

FISCAL NOTE

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

Prepared by: ⁽³⁾ Jordan Blades Date Prepared: ⁽⁴⁾ 1/28/24 Phone: ⁽⁵⁾ 402-471-4638

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2025-26</u>		<u>FY 2026-27</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	<u>(13,823,896)</u>	_____	<u>(13,823,896)</u>
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>_____</u>	<u>(13,823,896)</u>	<u>_____</u>	<u>(13,823,896)</u>

Explanation of Estimate:

LB 468 would require the Department of Insurance to transfer 10% of premium taxes collected to the counties, in proportion to each county's population as shown by the last federal census no later than May 1st of each year. The taxes to be transferred to the counties under LB 468 are taken from the taxes currently transferred by the department to the general fund.

Based on the premium taxes collected in 2024, for tax year 2023, the department estimates that this would result in a loss of \$13,823,896 to the general fund annually.

Any cost associated with processing these transfers to the counties would be absorbed by the department's current staff.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26 EXPENDITURES</u>	<u>2026-27 EXPENDITURES</u>
	<u>25-26</u>	<u>26-27</u>		
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

Prepared by: (3) John Meals

Date Prepared 1-31-25

Phone: (5) 471-6719

	<u>FY 2025-2026</u>		<u>FY 2026-2027</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below	See below	See below	See below

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

LB468 would reduce the documentary stamp tax from thirty cents to twenty-five cents, a 16.6% decrease. The Department of Health and Human Services (DHHS) receives approximately \$5 million from the documentary stamp tax annually into the Behavioral Health Services Fund. If this tax were to be reduced, DHHS would lose an estimated \$830,000 in revenue. Current revenue levels exceed the existing cash authority; however, the department is working with the regions to expand housing-related spending so the department would not reduce cash authority based on this loss of revenue.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:	POSITION TITLE	NUMBER OF POSITIONS		2025-2026	2026-2027
		26-26	26-27	EXPENDITURES	EXPENDITURES
Benefits.....					
Operating.....					
Travel.....					
Capital Outlay.....					
Aid.....					
Capital Improvements.....					
TOTAL.....				See above	See above

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2025

LB⁽¹⁾ 468

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Department of Motor Vehicles

Prepared by: ⁽³⁾ Bart Moore Date Prepared: ⁽⁴⁾ January 24, 2025 Phone: ⁽⁵⁾ 402-471-3902

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2025-26</u>		<u>FY 2026-27</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:

This legislation will require minimal programming which will be absorbed within existing appropriations.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</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.

2025

LB⁽¹⁾ 468

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Lancaster County Assessor/Register of Deeds

Prepared by: ⁽³⁾ Dan Nolte Date Prepared: ⁽⁴⁾ 1/24/25 Phone: ⁽⁵⁾ 402-441-7463

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2025-26</u>		<u>FY 2026-27</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 proposed legislation would have no fiscal impact on this office.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</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.

2025

LB⁽¹⁾ 468

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Lancaster County Sheriff's Office

Prepared by: ⁽³⁾ Chief Deputy Ben Houchin Date Prepared: ⁽⁴⁾ January 27, 2025 Phone: ⁽⁵⁾ 402-441-6500

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2025-26</u>		<u>FY 2026-27</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>Unknown</u>	<u>0</u>	<u>Unknown</u>	<u>0</u>

Explanation of Estimate:

Unknown how much of our annual budget consist of inheritance tax.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</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.

2025

LB⁽¹⁾ 468

FISCAL NOTE

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

Prepared by: ⁽³⁾ Rachel Garver Date Prepared: ⁽⁴⁾ Jan. 29, 2025 Phone: ⁽⁵⁾ 402-441-7425

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2025-26</u>		<u>FY 2026-27</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	\$1,500,000	_____	\$1,529,250
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>_____</u>	<u>\$1,500,000</u>	<u>_____</u>	<u>\$1,529,250</u>

Explanation of Estimate:

The revenue realized by the County Treasurer would be as follows:

From Section 4: The increase in motor vehicle fees would double the current fees received. This fee has been going up one to two percent a year. For FY 25-26 the increase in revenue is projected to be \$1,485,000 and for FY 26-27, \$1,515,000.

From Section 11: The revenue from the fee increase for delinquent parcel advertising is dependent upon the number of delinquent parcels. The average number of delinquent parcels from the last five years was used for the number of parcels placed in the newspaper ad. The revenue realized would be less the advertising cost. For FY 25-26 the increase in revenue is projected to be \$15,000 and for FY 26-27, \$14,250.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</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.

2025

LB⁽¹⁾ 468

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Lancaster County, Nebraska

Prepared by: ⁽³⁾ Dennis Meyer Date Prepared: ⁽⁴⁾ 1/29/2025 Phone: ⁽⁵⁾ 402-441-6869

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2025-26</u>		<u>FY 2026-27</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	<u>(2,607,752.94)</u>	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

Revenue Distribution:

Under Nebraska's LB468, starting July 1, 2025, the state will distribute \$5 million annually from the Securities Act Cash Fund to counties based on their population proportions. With Lancaster County comprising approximately 16.4% of Nebraska's population, it is projected to receive about **\$820,000** each year from this fund.

Motor Vehicle Tax & Fees:

The proposed augmentation of motor vehicle fees is projected to double the current revenue generated from these fees. Historically, motor vehicle fee revenues have experienced an annual increase of approximately 1% to 2%. For Fiscal Year 2025-26, the anticipated revenue increase is **\$1,485,000**.

Documentary Stamp Tax Increase:

In 2024, the total documentary stamp tax collected amounted to \$5,429,697.75. Of this amount, counties currently retain 22.22%, resulting in \$1,206,478.85 in retained revenues.

LB468 proposes increasing the county retention rate to 49.09%, which would raise the retained amount on the same total from \$1,206,478.85 to \$2,665,438.63. This is an increase of **\$1,458,959.78**.

Changes to Inheritance Tax:

According to the Report of County Inheritance Taxes Paid (January 1, 2023 – June 30, 2023), in Lancaster County a total of 863 beneficiaries paid inheritance taxes. Of these, 801 beneficiaries (approximately 92.8%) were classified as Class 1 relatives, which include immediate family members such as parents, grandparents, siblings, children, and other lineal descendants. The remaining 62 beneficiaries (approximately 7.2%) fell into Class 2 and Class 3 categories, which encompass more distant relatives and non-relatives.

Applying this distribution to the projected FY24 inheritance tax revenue for Lancaster County, which is estimated at \$7,281,615, and without accounting for the proposed increases in tax exemption amounts or the full exemption for heirs under age 22, the county is projected to experience an annual revenue loss of approximately **\$6,632,359.72**.

Renewable Energy Nameplate Capacity Tax Adjustment:

Lancaster County currently hosts two operational solar energy facilities: the Holdrege Solar Center and the Norris Public Power District Solar Project. Together, these facilities provide a combined capacity of approximately 4.6 MW. At present, they generate \$16,183 in revenue for the county. Under the proposed changes, this revenue is projected to increase to \$29,900, which is an increase of **\$13,717**.

Marriage Licenses and Certified Copy Fees:

An increase in fees for marriage licenses and certified copies of marriage records to better align with administrative costs and enhance revenue for county operations.

- The marriage license fee will increase from \$25 to \$40, leading to a projected revenue increase from \$50,800 to \$81,280, reflecting an additional \$30,480 in revenue.
- The certified copy fee will increase from \$9 to \$15, resulting in a projected revenue increase from \$35,100 to \$58,500, generating an additional \$23,400 in revenue.
- Total projected additional revenue from these fee adjustments is **\$53,880** annually.

Inspection Fees:

An increase in inspection fees at the Sheriff’s Department, adjusting the base fee from \$10 to \$20 plus mileage. This adjustment is designed to better reflect the costs associated with conducting inspections and improve revenue for department operations.

- The inspection fee increases from \$10 to \$20 will result in a projected revenue increase from \$180,000 to \$360,000, reflecting an additional **\$180,000** in annual revenue.

Distress Warrant Fees:

An increase in distress warrant fees, raising the fee from \$2 to \$20 to better reflect administrative costs and enhance revenue for treasury operations.

- The distress warrant fee increases from \$2 to \$20 will result in a projected revenue increase from \$1,450 to \$14,500, reflecting an additional **\$13,050** in annual revenue.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</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.

2025

LB⁽¹⁾ 468

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Lancaster County Clerk's Office

Prepared by: ⁽³⁾ Matt Hansen Date Prepared: ⁽⁴⁾ 1/27/2025 Phone: ⁽⁵⁾ (402)441-7481

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2025-26</u>		<u>FY 2026-27</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	\$53,880	_____	\$53,880
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	\$53,880	=====	\$53,880

Explanation of Estimate:

This estimate is limited to Section 2 of the bill, pertaining to marriage license fees in §33-110. The County Clerk's office cannot speak to any other impacts this bill would have on Lancaster County.

There were 2,032 marriage licenses and 3,900 certified copies issued in the 23-24 fiscal year.
 2,032 marriage licenses with an increase of \$15/license equals an increase of \$30,480.
 3,900 certified copies with an increase of \$6/copy equals an increase of \$23,400.

With both increases in fees, the total revenue increase to Lancaster County would be \$53,880.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

State Agency Estimate

State Agency Name: Department of Revenue				Date Due LFO:			
Approved by: James R. Kamm				Date Prepared: 01/31/2025		Phone: 471-5896	
FY 2025-2026		FY 2026-2027		FY 2027-2028			
	<u>Expenditures</u>	<u>Revenue</u>		<u>Expenditures</u>	<u>Revenue</u>		<u>Expenditures</u>
General Funds		\$6,762,000			\$5,410,000		\$8,927,000
Cash Funds		\$(4,340,000)			\$(5,456,000)		\$(5,669,000)
Federal Funds							
Other Funds		\$11,193,000			\$13,819,000		\$14,224,000
Total Funds		\$13,615,000			\$13,773,000		\$17,482,000

LB 468 changes distributions from the Securities Act Cash Fund to the General Fund as follows:

- \$29 million on or before June 30, 2026.
- \$23 million on or before June 30, 2027.
- \$23 million on or before June 30, 2028.
- \$23 million on or before June 30, 2029.

LB 468 creates an annual distribution to the counties of \$5 million in proportion to the percentage of population in that county compared to total population of Nebraska.

Raises the fee of a marriage license from \$25 to \$40 and the fee of a certified copy of the marriage record from \$9 to \$15.

Raises the fee of identification inspections conducted by a county sheriff from \$10 to \$20 plus the mileage rate in 33-117.

Raises the fees allowed for issuing distress warrants from \$2 to \$20.

Raises the fee assessed by the county treasurer for listing real property sold due to delinquent taxes from \$5 to \$20.

Lowers the inheritance tax from 15% of the clear market value of the beneficial interests received by each person in excess of \$25,000 to 1% of the clear market value of the beneficial interest received by each person in excess of \$100,000.

Makes the following changes to the ImagiNE Nebraska Act:

- Changes the definition of new employee
- Changes the Act so a taxpayer is not entitled to the sales and use tax incentive or the property exemption when the cumulative investment in qualified property of at least fifty million dollars at the qualified

Major Objects of Expenditure

<u>Class Code</u>	<u>Classification Title</u>	<u>25-26</u> <u>FTE</u>	<u>26-27</u> <u>FTE</u>	<u>27-28</u> <u>FTE</u>	<u>25-26</u> <u>Expenditures</u>	<u>26-27</u> <u>Expenditures</u>	<u>27-28</u> <u>Expenditures</u>
	Benefits.....						
	Operating Costs.....						
	Travel.....						
	Capital Outlay.....						
	Capital Improvements.....						
	Total.....						

location or locations before the end of the ramp-up period, provided the average compensation of the taxpayer's employees at the qualified location or locations for the year in which such investment level was attained equals at least one hundred fifty percent of the Nebraska statewide average hourly wage for the year of application and the taxpayer offers to its employees who constitute full-time employees as defined and described in section 4980H of the Internal Revenue Code of 1986, as amended, and the regulations for such section, at the qualified location or locations for the year in which such investment level was attained, the opportunity to enroll in minimum essential coverage under an eligible employer-sponsored plan, as those terms are defined and described in section 5000A of the Internal Revenue Code of 1986, as amended, and the regulations for such section.

LB 468 raises the amount the county treasurer retains from motor vehicle tax proceeds from 1% to 2%, lowers the amount the county retains from the motor vehicle tax proceeds from 22% to 21 and 1/8th%, and raises the amount given to the city or village from the motor vehicle tax proceeds from 18% to 18 and 2/10ths%. In counties containing a city of the metropolitan class, raises the amount the county retains from the motor vehicle tax proceeds from 18% to 18 and 2/10ths% and lowers the amount the city or village retains from 22% to 21 and 1/8ths%.

LB 468 raises the documentary stamp tax fee from \$2.25 to \$2.75 and the allocation of that money as follows:

- Register of deeds amount retained for the county general fund increased from .50 cents to \$1.35.
- Affordable Housing Trust Fund is decreased from .95 cents to .90 cents.
- Site Building and Development Fund allocation of .25 cents is removed.
- Behavioral Health Services Fund decreased from .30 cents to .25 cents.

The State Treasurer distribution of the documentary stamp taxes collected changes from in proportion to all railroad taxes levied by taxing subdivisions to the proportion of the total property taxes levied in the county to the total property taxes levied in the state.

LB 468 raises the annual nameplate capacity tax on renewable energy generation facilities from \$3,518 per megawatt to \$6,560 per megawatt.

LB 468 creates the requirement that the Department of Revenue (DOR) adjust the tax rate by the average annual percentage change in the total amount of property taxes levied statewide over the most recent ten-year period, rounded to the nearest whole dollar amount.

LB 468 proposes the elimination of a sales tax exemption related to data centers

Fiscal Impact:

Note that the fiscal impact from DOR only addresses the tax provision which includes change to the Imagine Act, the doc stamp tax, the repeal of sale and use tax exemption for data center under 77-2701.54 and 77-2704.62 and nameplate capacity tax.

Increasing Documentary Stamp Tax under LB 468 will have the following impact on various funds:

Fiscal Year	County General Fund (County)	Affordable Housing Trust Fund	Site and Building Development Fund	Homeless Shelter Assistance Trust Fund	Behavioral Health Services Fund	Total from Documentary Stamp Tax Increase
FY25-26	\$ 11,149,000	\$ (656,000)	\$ (3,279,000)	\$ -	\$ (656,000)	\$ 6,558,000
FY26-27	\$ 13,780,000	\$ (811,000)	\$ (4,053,000)	\$ -	\$ (811,000)	\$ 8,105,000
FY27-28	\$ 14,193,000	\$ (835,000)	\$ (4,174,000)	\$ -	\$ (835,000)	\$ 8,349,000
FY28-29	\$ 14,619,000	\$ (860,000)	\$ (4,300,000)	\$ -	\$ (860,000)	\$ 8,599,000

Changes to the Imagine Act is estimated to impact the General Fund revenues as follows:

Fiscal Year	General Fund revenues
FY26-27	\$ -
FY27-28	\$ 4,599,000
FY28-29	\$ 9,429,000
FY29-30	\$ 9,900,000
FY30-31	\$ 10,395,000
FY31-32	\$ 10,915,000

It is estimated that repealing of sale and use tax exemption for data center under 77-2701.54 and 77-2704.62 will have the following impact:

Fiscal Year	General Fund revenues	Highway Trust Fund	Highway Allocation Fund	Total
FY25-26	\$ 6,762,000	\$ 251,000	\$ 44,000	\$ 7,057,000
FY26-27	\$ 5,410,000	\$ 219,000	\$ 39,000	\$ 5,668,000
FY27-28	\$ 4,328,000	\$ 175,000	\$ 31,000	\$ 4,534,000
FY28-29	\$ 3,462,000	\$ 140,000	\$ 25,000	\$ 3,627,000

The proposed increase in the nameplate capacity tax under LB 468 is projected to generate approximately \$11 million in additional tax revenue for the county in fiscal year 2025-2026.

It is estimated that there will be minimal costs to the Department of Revenue to implement this bill.

This bill contains an emergency clause and becomes law upon enactment.

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

2025

LB⁽¹⁾ 468

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska State Patrol

Prepared by: ⁽³⁾ Carol Aversman Date Prepared: ⁽⁴⁾ 01/30/2025 Phone: ⁽⁵⁾ 402-471-4545

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2025-26</u>		<u>FY 2026-27</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:

No Fiscal Impact.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	\$25,000	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	\$25,000	_____

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

2025

LB⁽¹⁾ 468

FISCAL NOTE

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

Prepared by: ⁽³⁾ Jason Walters Date Prepared: ⁽⁴⁾ January 27, 2025 Phone: ⁽⁵⁾ 402-471-2793

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2025-26</u>		<u>FY 2026-27</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 468 to the office.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</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.

2025

LB⁽¹⁾ 468

FISCAL NOTE

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

Prepared by: ⁽³⁾ Jenessa Boynton Date Prepared: ⁽⁴⁾ 1/30/2025 Phone: ⁽⁵⁾ 402-479-4691

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2025-26</u>		<u>FY 2026-27</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	\$251,000	_____	\$219,000
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	\$44,000	_____	\$39,000
TOTAL FUNDS	=====	\$295,000	=====	\$258,000

Explanation of Estimate:

LB468 applies to the Nebraska Department of Transportation with regards to removing sales tax exemption related to data centers. This bill contains an emergency clause and will take effect once enacted.

Revenue to Build Nebraska Act Funds				
	FY2025-26	FY2026-27	FY2027-28	FY2028-29
Highway Trust Fund	\$251,000	\$219,000	\$175,000	\$140,000
Highway Allocation Fund (cities and counties)	\$44,000	\$39,000	\$31,000	\$25,000

This estimate of increase tax revenue is from the Nebraska Department of Revenue. The increase in the sales tax base will increase revenues to the Build Nebraska Act resulting in more available funding to the Highway Trust 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>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</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.

2025

LB⁽¹⁾ 468

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Association of County Officials

Prepared by: ⁽³⁾ Elaine Menzel Date Prepared: ⁽⁴⁾ 1/31/2025 Phone: ⁽⁵⁾ 402.434.5660

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2025-26</u>		<u>FY 2026-27</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:

LB468 would change certain fees and amend the redistribution of other tax revenue. NACO analyzed data from county budgets, the State Treasurer’s Office, and reports/information published and released by the Department of Revenue during a three-year timeframe. Here is a breakdown of estimated changes in revenue based on LB468:

- Documentary Stamp Tax: \$14,042,620 increase
- Marriage License Fees: \$175,117 increase
- Advertising Properties with Delinquent Taxes: \$350,000 increase
- Motor Vehicle Inspections: \$1,427,834 increase
- Distress Warrant Fees: \$258,570 increase
- Insurance Premium Tax Reallocation: \$14,810,000 increase
- Securities Act Cash Fund: \$5,000,000 increase
- Nameplate Capacity Tax Reallocation: \$2,312,759 increase
- Car Line Tax Reallocation: \$2,400,000 increase
- County Motor Vehicle Tax: \$1,942,368 increase
- Total Revenue Increase: \$42,719,268 increase

Inheritance Tax Reduction:

- Class II Adjustment: \$22,888,879
- Class III Adjustment: \$10,925,346
- Total Revenue Decrease: \$33,814,145

In sum, NACO estimates that LB468 would decrease county revenue by \$33,814,145 and increase county revenue by \$42,719,268.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				