

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)					
EXPENDITURES	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	0	0	0	0	0
FY2027-2028	0	0	0	0	0
FY2028-2029	0	0	0	0	0
REVENUE	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	0	0	0	0	0
FY2027-2028	0	0	0	0	0
FY2028-2029	0	0	0	0	0

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

LB 770 amends section 33-114 to provide that each county treasurer shall receive for and on behalf of the county for services rendered to other governmental subdivisions and agencies, when fees for services rendered by him or her are not otherwise specifically provided, a fee of 2% of ad valorem taxes and special assessments collected of reclamation districts and county agricultural societies.

The bill also amends section 77-6204 to provide that the county treasurer shall retain 1% of the nameplate capacity tax revenue received from the Department of Revenue (DOR) for costs before distributing the remaining revenue to local taxing entities as specified in statute.

The DOR estimates no impact to General Fund revenues and no costs to it as a result of the bill. There is no basis to disagree with this estimate.

The Nebraska Association of County Officials notes that the 2% commission in this bill would place in statute this long-standing commission collected for reclamation districts and agricultural societies and that without passage of this bill counties could lose the 1% commission for collecting nameplate capacity tax.

Lancaster County estimates show an amount of nameplate capacity tax revenue for it given a 1% commission in place.

The Nebraska Community College Association estimates show an amount of nameplate capacity tax revenue that would go to the county and not to community college areas given a 1% commission in place.

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Community College Association

Prepared by: ⁽³⁾ Courtney Wittstruck

Date Prepared: ⁽⁴⁾ 1/14/26

Phone: ⁽⁵⁾ 402.381.2084

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2026-27		FY 2027-28	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		-6,145.53		-7,175.56
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Explanation of Estimate:

2024 State Total	\$ 12,291,053
CCs get 5% first	\$614,552.66
vs	
Counties get 1% first	\$122,910.53
Remaining total:	\$12,168,142.68
CCs get 5% after counties' 1%	\$608,407.13
Delta for CCs	\$6,145.53

5-year average YoY Nameplate tax collection increase: 16.8%

\$6,145.53 * 1.168 = \$7,175.56

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2026-27	2027-28
	26-27	27-28	EXPENDITURES	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				

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

LB: 770 AM: AGENCY/POLT. SUB: Lancaster County Treasurer

REVIEWED BY: Ryan Yang DATE: 1/16/2026 PHONE: (402) 471-4178

COMMENTS: No basis to disagree with the Lancaster County Treasurer assessment of fiscal impact from LB 770.

Technical Note: The General Fund revenue reflected on the fiscal note shows the impact to the political subdivision and does not impact State General Fund revenue.

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

LB: 770 AM: AGENCY/POLT. SUB: Nebraska Community College Association

REVIEWED BY: Ryan Yang DATE: 1/16/2026 PHONE: (402) 471-4178

COMMENTS: No basis to disagree with the Nebraska Community College Association assessment of no fiscal impact from LB 770.

Technical Note: The General Fund revenue reflected on the fiscal note shows the impact to the political subdivision and does not impact State General Fund revenue. The amount on the General Fund revenue line also reflects a revenue increase, not a revenue decrease.

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

LB: 770 AM: AGENCY/POLT. SUB: Tax Equalization & Review Commission (TERC)

REVIEWED BY: Ryan Yang DATE: 1/14/2026 PHONE: (402) 471-4178

COMMENTS: No basis to disagree with the TERC assessment of no fiscal impact from LB 770.

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

LB: 770 AM: AGENCY/POLT. SUB: Nebraska Association of County Officials (NACO)

REVIEWED BY: Ryan Yang DATE: 1/13/2026 PHONE: (402) 471-4178

COMMENTS: No basis to disagree with the NACO assessment of negative fiscal impact from LB 770.

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

Prepared by: ⁽³⁾ Rachel Garver

Date Prepared: ⁽⁴⁾ Jan.15, 2026

Phone: ⁽⁵⁾ 402-441-7425

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2026-27		FY 2027-28	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	0	\$1,475.33	0	\$1,475.33
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	0	\$1,475.33	0	\$1,475.33

Explanation of Estimate:

In past fiscal year Lancaster County collected a total \$14,753.25.One percent would be \$1.475.33.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE				
Personal Services:				
POSITION TITLE	NUMBER OF POSITIONS		2026-27	2027-28
	26-27	27-28	EXPENDITURES	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				

State Agency OR Political Subdivision
Name: ⁽²⁾

Metropolitan Community College

Prepared by: ⁽³⁾ Brian DeNio

Date Prepared: ⁽⁴⁾ 1/16/26

Phone: ⁽⁵⁾ (531)622-2515

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION				
	FY 2026-27		FY 2027-28	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Explanation of Estimate:

No Fiscal Impact

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE				
Personal Services:				
POSITION TITLE	NUMBER OF POSITIONS		2026-27	2027-28
	26-27	27-28	EXPENDITURES	EXPENDITURES
Benefits.....				
...				
Operating.....				
....				
Travel.....				
.				
Capital				
outlay.....				
Aid.....				
.				
Capital				
improvements.....				
TOTAL.....				

LB⁽¹⁾ 770

FISCAL NOTE

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

Prepared by: ⁽³⁾ Elaine Menzel

Date Prepared: ⁽⁴⁾ 1/13/2026

Phone: ⁽⁵⁾ 402.434.5660

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2026-27		FY 2026-27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Explanation of Estimate:

By way of background, LB50 (2025) reinstated community colleges’ nameplate capacity tax revenue that was lost as a result of funding model change.

This bill, LB770, would clarify that counties continue to receive a one percent commission for their role in distributing nameplate capacity taxes. This calculation would occur before the five percent distribution to community colleges. Counties have traditionally kept a commission on distributions of property taxes or excise taxes meant to replace property taxes, but that assumption was called into question after LB50. According to 2023 data, 36 counties reported revenue from the nameplate capacity tax:

Hall, Scotts Bluff, Perkins, Colfax, Burt, Brown, York, Cherry, Dodge, Logan, Seward, Cuming, Adams, Polk, Dawson, Keya Paha, Lancaster, Wheeler, Fillmore, Madison, Washington, Kimball, Platte, Gage, Franklin, Knox, Custer, Richardson, Jefferson, Boone, Saline, Dixon, Holt, Webster, Antelope, and Wayne

The bill would also codify the long-standing two-percent commission on distributions for reclamation districts and agricultural societies.

According to the Nebraska Department of Revenue's Property Assessment Division, the state total for nameplate capacity tax in 2024 was \$12,291,053. One percent of this figure (the commission on nameplate capacity tax) is \$122,910.53.

Failure to pass LB770 could result in counties losing the 1% commission on nameplate capacity tax; in 2025, that would have been \$122,910.53.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2026-27	2027-28
	26-27	27-28	EXPENDITURES	EXPENDITURES
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: 01/15/2026

Phone: 471-5896

	<u>FY 2026-2027</u>		<u>FY 2027-2028</u>		<u>FY 2028-2029</u>	
	<u>Expenditures</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Revenue</u>
General Funds		\$ 0		\$ 0		\$ 0
Cash Funds						
Federal Funds						
Other Funds						
Total Funds		\$ 0		\$ 0		\$ 0

LB 770 allows for the county treasurer to receive 2% of ad valorem taxes and special assignments collected for reclamation districts and county agricultural societies.

LB 770 also allows for the county treasurer to retain 1% of all revenue received from the Department of Revenue for the nameplate capacity tax and then distribute all remaining revenue.

It is estimated that LB 770 will have no impact on the General fund revenues.

It is estimated that there will be no costs for the Department or Revenue to implement this bill.

The operative date for this bill is three months after the adjournment of the Legislature.

Major Objects of Expenditure

<u>Class Code</u>	<u>Classification Title</u>	<u>26-27 FTE</u>	<u>27-28 FTE</u>	<u>28-29 FTE</u>	<u>26-27 Expenditures</u>	<u>27-28 Expenditures</u>	<u>28-29 Expenditures</u>
Benefits.....							
Operating Costs.....							
Travel.....							
Capital Outlay.....							
Capital Improvements.....							
Total.....							

State Agency OR Political Subdivision Name: ⁽²⁾ Tax Equalization & Review Commission

Prepared by: ⁽³⁾ Rob Hotz

Date Prepared: ⁽⁴⁾ January 14, 2026

Phone: ⁽⁵⁾ (402) 471-2842

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2026-27		FY 2027-28	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Explanation of Estimate:

No fiscal impact

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:				
POSITION TITLE	NUMBER OF POSITIONS		2026-27	2027-28
	26-27	27-28	EXPENDITURES	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				