

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	(1,692,000)	(1,128,000)	0	0	(2,820,000)
FY2027-2028	(2,324,000)	(1,549,000)	0	0	(3,873,000)
FY2028-2029	(2,394,000)	(1,596,000)	0	0	(3,990,000)

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

LB 782 amends section 9-648 of the Nebraska County and City Lottery Act so that any county, city, or village which conducts a lottery shall submit to the Department of Revenue (DOR) on a quarterly basis a tax of 1% of the gross proceeds, a change from 2%.

The bill becomes operative on July 1, 2026.

The bill contains the emergency clause.

The DOR estimates the following decrease to General Fund revenues and to the Charitable Gaming Operations Fund as a result of the bill:

<i>Fiscal Year</i>	<i>General Fund Revenues</i>	<i>Charitable Gaming Operations Fund</i>
FY27	\$ (1,692,000)	\$ (1,128,000)
FY28	\$ (2,324,000)	\$ (1,549,000)
FY29	\$ (2,394,000)	\$ (1,596,000)
FY30	\$ (2,465,000)	\$ (1,644,000)

The DOR estimates no cost to it to implement the bill.

There is no basis to disagree with these estimates.

Local governments are estimated to have increased revenue as a result of the tax decreasing from 2% to 1%.

2026

FISCAL NOTE

Prepared by: ⁽³⁾ Chad Mohr Date Prepared: ⁽⁴⁾ 1/15/2025 Phone: ⁽⁵⁾ 402 441 8306

FY 2026-27**FY 2027-28**

	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	450000	_____	400000
TOTAL FUNDS	=====	=====	=====	=====

Based on our trend analysis of Keno revenue and state taxes, this would have a net effect of increased revenue to the City of Lincoln.

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⁾ City of Omaha

Prepared by: ⁽³⁾ Jeff Roh

Date Prepared: ⁽⁴⁾ 1-15-26

Phone: ⁽⁵⁾ 402-444-5451

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2026-27		FY 2027-28	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	(1,200,000)		(1,236,000)	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Explanation of Estimate:

The City of Omaha would see a savings of around \$1,200,000 if the tax drops to one percent of gross proceeds.

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: 782	AM:	AGENCY/POLT. SUB: City of Lincoln
REVIEWED BY: Ryan Yang	DATE: 1/16/2026	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the City of Lincoln assessment of positive fiscal impact from LB 782.		
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: 782	AM:	AGENCY/POLT. SUB: City of Omaha
REVIEWED BY: Ryan Yang	DATE: 1/16/2026	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the City of Omaha assessment of positive fiscal impact from LB 782.		
Technical Note: The General Fund expense savings 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: 782	AM:	AGENCY/POLT. SUB: Lancaster County, Nebraska
REVIEWED BY: Ryan Yang	DATE: 1/13/2026	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the Lancaster County assessment of positive fiscal impact from LB 782.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 782	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 positive fiscal impact from LB 782.		

2026

FISCAL NOTE

Prepared by: (3) Dennis Meyer Date Prepared: (4) 1/12/2026 Phone: (5) 402-441-6869

	FY 2026-27		FY 2027-28	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS		\$18,000		
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Based on recent lottery activity (FY23–FY25), Lancaster County anticipates an increase in retained lottery revenue of approximately \$18,000 annually beginning in FY 2026–27. Actual impacts will vary depending on lottery proceeds.

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

2026

FISCAL NOTE

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	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

LB782, this would reduce the tax on lottery wagerings from 2% to 1%. This means that counties that conduct keno would see an increase of 1% in revenue. Using data from the Nebraska Department of Revenue's Annual Charitable Gaming Reports, NACO identified 17 counties reporting keno proceeds (Buffalo, Cass, Chase, Cheyenne, Dawson, Deuel, Garden, Garfield, Gosper, Hall, Harlan, Keith, Knox, Otoe, Platte, Sarpy, and Scotts Bluff). We compiled a two-average from FY2023 & 2024) and found that these counties generated \$26,818,391 in keno proceedings, meaning that if counties were allowed to keep an additional 1%, counties would see an estimated annual increase of \$268.184 in revenue.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

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

Phone: 471-5896

		Major Object 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.....							