

PREPARED BY: Doug Gibbs  
 DATE PREPARED: March 17, 2009  
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**LB 617**

Revision: 00

# FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *</b>				
	<b>FY 2009-10</b>		<b>FY 2010-11</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

\*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 617 amends sections 23-2901 through 29-2915 regarding community building districts to provide a process for the creation of community building districts in substantially urbanized counties.

A substantially urbanized county is defined as a county that has more than 100,000 inhabitants, has no cities of the metropolitan or primary class, and has at least one city within the county boundaries that is a city of the first class. At this time, LB 617 would apply only to Sarpy County.

The purpose of a community building district in a substantially urbanized county is to facilitate development of such districts in a manner that will maximize the ability to provide social, athletic, recreational, educational, health, wellness, and related community purposes to the inhabitants of the county.

A community building district in a substantially urbanized county is to be governed by a board of trustees appointed by the county board and shall consist of a number of residents of the county, the number of which is to be determined by the county. Members of the county board may also be members of the board trustees of a community building district.

Current statute allows a community building district to levy a property tax not to exceed 1.7 cents per hundred dollars of taxable value.

The bill provides that in a substantially urbanized county a majority of real property owners may form, organize, establish a community building district and that such district, with the approval by resolution of the county board, may impose a local option sales and use tax provided the county in which the district is located has not adopted a county sales and use tax. The sales and use tax imposed may be ½%, 1%, or 1½ %.

The community building district in a substantially urbanized county may also issue negotiable bonds, to be known as community building bonds, for the purpose of paying the cost of acquisition, construction, equipping, or maintenance of a community building or buildings and adjoining grounds for housing county enterprises and community activities and for social, athletic, and recreational purposes.

The Department of Revenue estimates the bill to have minimal impact on revenue and the cost to implement the bill to be minimal.

There is no basis to disagree with the Department of Revenue's estimate of fiscal impact and cost.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Lyn Heaton	DATE	3/18/09
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<b>COMMENTS</b>			
DEPARTMENT OF REVENUE: Concur, no fiscal impact to the department. NEBRASKA ASSOCIATION OF COUNTY OFFICIALS: No basis upon which to disagree.			