

Doug Gibbs January 24, 2011 471-0051

## LB 106

# FISCAL NOTE LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *						
	FY 2011-12 FY 2012-13					
	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 106 would create the County Option Sales Tax Act and authorize a county sales tax to be used, in addition to those activities currently authorized, for capital improvements for public safety services and transportation infrastructure projects.

Public safety services is defined to include crime prevention, offender detention, and firefighter, police, medical, ambulance, or other emergency services.

Transportation infrastructure projects are defined as construction, maintenance, operation, and improvement of collector roads, arterial roads, rural collector roads, and local roads.

Proceeds from the sales tax imposed by LB 106 may only be used for the purposes specified above.

In addition, each county that imposes a sales tax under the provisions of LB 106 is required to develop a one-year plan and a longrange three-year plan of proposed capital improvements for public safety services and transportation infrastructure projects. The plans are to be reviewed annually by March 1. The bill also requires a public hearing with public comment on the proposed plans. Within sixty days of adoption, the county board is to determine whether the plans are consistent with the county's long-range capital improvement plans and shall resolve any inconsistency.

The bill amends various sections of statute pertaining to the refund of sales tax under the business incentive laws, such as the Nebraska Advantage Act, to include the sales taxes collected under the County Option Sales Tax Act.

The Tax Commissioner is responsible for administration of the tax.

There appears to be no fiscal impact to the state as a result of LB 106.

The Department of Revenue estimates minimal costs to administer the bill.

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

### DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Lyn Heaton	DATE 1/26/11	PHONE 471-2526
COMMENTS			
DEPT. OF REVENUE – No basis upor	which to disagree.		
ASSOC. OF COUNTY OFFICIALS – T	he fiscal impact on counties	is indeterminate.	

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LB 106	IECISI ATTVET	TADAT			<b>Fiscal Note</b>	2011
		State Agency	Estimate	······································		
State Agency Name: Department	t of Revenue				Date Due LFA:	1/18/2011
Approved by: Douglas Ewald		Date Prepared:	1/18/2011		Phone: 471-5700	
	FY 2011	-2012	<u>FY 20</u>	12-2013	FY 201	3-2014
	<b>Expenditures</b>	Revenue	Expenditures	Revenue	Expenditures	<u>Revenue</u>
General Funds						
Cash Funds						
Federal Funds						
Other Funds						
Total Funds						

LB 106 adopts the County Option Sales Tax Act, which expands a county's existing authority to impose a county sales tax. Currently, a county may only impose a county sales tax for purposes of financing public services provided by a public safety commission or providing the county share of funds required under any other agreement executed under the Interlocal Cooperation Act or Joint Public Agency Act. LB 106 allows counties to use a sales tax for purposes of financing capital improvements for public safety services and transportation infrastructure projects.

The Tax Commissioner is responsible for administration of the tax.

The Department expects minimal costs to administration LB 106.

Major Objects of Expenditure							
<u>Class Code</u>	Classification Title	11-12 FTE	12-13 <u>FTE</u>	13-14 <u>FTE</u>	11-12 Expenditures	12-13 Expenditures	13-14 Expenditures
							···-
Benefits		<b>I</b>	l	l	1		
Operating Costs				•••••			
Capital Outlay						**	
	•••••••••••••••••••••••••••••••••••••••						
Total							<u> </u>

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LEGISLATIVE FISCAL

Prepared By Edwards, Jon Date Prepared 1/18/2011 Prepared Phone 402-434-5660

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**LB106** 

## FISCAL NOTE Counties

Estimate Provided By State Agency or Political Subdivision

	FY 201	FY 2011-2012		2-2013
	Expenditures	Revenue	Expenditures	Revenue
General Funds				
Cash Funds				
Federal Funds				
Other Funds				
Total Funds				

#### Explanation of Estimate:

It is not possible to determine the possible fiscal impact LB106 may have on counties. It appears LB106 will have a minimal fiscal impact.

### **Major Objects of Expenditure**

	Number of Positions		FY 2011-2012	FY 2012-2013	
Position Title	Position Title FY 2011-2012		Expenditures	Expenditures	
		Benefits			
		Operating			
		Travel			
		Capital outlay			
		Aid			
		Capital improvements			
		Total			