Scott Danigole March 09, 2017 471-0055

# LB 292

## Revision: 00 FISCAL NOTE LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)							
	FY 201	7-18	FY 2018-19				
	EXPENDITURES	EXPENDITURES	REVENUE				
GENERAL FUNDS		See Below		See Below			
CASH FUNDS		See Below		See Below			
FEDERAL FUNDS							
OTHER FUNDS							
TOTAL FUNDS							

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

LB 292 changes provisions of the Nebraska Uniform Limited Liability Company Act.

The bill allows for formation of a series of LLCs which will not be required to file separate organizational documents.

The Secretary of State cannot estimate the number of LLCs that would no longer need to files with their office. Reduced filings will result in reduced fee collection, which is currently spit with 2/3 of collections going to the General Fund and 1/3 going to the Corporation Cash Fund.

#### ADMINSTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES

LB: 292	AM:	AGENCY/POLT. SUB: Dep	AGENCY/POLT. SUB: Department of Revenue		
REVIEWED BY: Lee Will DATE: 03/09/2017 PHONE: (402) 471-4175					

COMMENTS: Concur with the Department of Revenue's assessment of no fiscal impact.

#### ADMINSTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES

LB: 292	AM:	AGENCY/POLT. SUB: Net	oraska Secretary of State's Office		
REVIEWED BY: Lee Will		DATE: 01/22/2017	PHONE: (402) 471-4175		
COMMENTS: Concur with the Nebraska Secretary of State's Office's assessment that revenue may be diminished as the					

amount of filings may decrease with changes provided for by LB 292.

### Fiscal Note 2017

State Agency Estimate								
State Agency Name: Department of	Revenue				Date Due LFA:	3/9/2017		
Approved by: Tony Fulton		Date Prepared:	3/8/2017		Phone: 471-5896			
FY 2017-2018 FY 2018-2019 FY 2019-2020								
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue		
General Funds	\$0	\$0	\$0	\$0	\$0	\$0		
Cash Funds								
Federal Funds								
Other Funds								
Total Funds	\$0	\$0	\$0	\$0	\$0	\$0		

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LB 292 authorizes the creation, governance, distributions to and liability of members, and dissolution of series limited liability companies (LLC). A series LLC may organize multiple levels of ownership, each entity organized as a separate legal entity and managed by its members or managers pursuant to the operating agreement.

It is estimated that this bill would have no impact on the General Fund revenues.

It is estimated that there would be minimal costs to the Department to implement this bill.

Major Objects of Expenditure							
<u>Class Code</u>	Classification Title	17-18 <u>FTE</u>	18-19 <u>FTE</u>	19-20 <u>FTE</u>	17-18 <u>Expenditures</u>	18-19 <u>Expenditures</u>	19-20 <u>Expenditures</u>
Benefits	Benefits						
Operating Costs							
Travel							
Capital Outlay							
Aid							
Capital Improvements							
Total							

Please complete <u>ALL</u> (5) blanks in the first three lines.

LB <sup>(1)</sup> 292				<b>FISCAL NOTE</b>			
State Agency OR Po	olitical Subdivision Name: <sup>(2)</sup>	Nebraska Secretary of State's Office					
Prepared by: (3)	Joyce Woofter	Date Prepared: <sup>(4)</sup>	1/18/2017 Pho	ne: (5) 402-471-2384			
	ESTIMATE PROVID	DED BY STATE AGENC	Y OR POLITICAL SUBD	IVISION			
	FY	2017-18	FY	2018-19			
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE			
GENERAL FUND	DS						
CASH FUNDS							
FEDERAL FUND	S						
OTHER FUNDS							
TOTAL FUNDS							

**Explanation of Estimate:** 

We cannot determine the fiscal impact of LB 292. LB 292 allows formation of "series" LLC's, which will not be required to file separate organizational documents with the Secretary of State. We cannot estimate the number of organizations that would file with our office under current law and that would no longer need to file if LB 292 is passed. Filings fee revenue, split 2/3 to the General Fund and 1/3 to the Corporation Cash Fund, would be reduced for filings no longer required by the changes in this bill. In FY 2016, there were 66,374 LLC's on record.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE							
Personal Services:							
POSITION TITLE	NUMBER OF POSITIONS <u>17-18</u> <u>18-19</u>		2017-18 EXPENDITURES	2018-19 EXPENDITURES			
Benefits							
Operating							
Travel							
Capital outlay							
Aid							
Capital improvements							
TOTAL							