

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2022-23		FY 2023-24	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		(\$1,085,000)		(\$1,671,000)
CASH FUNDS		(\$38,000)		(\$68,000)
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		(\$1,123,000)		(\$1,739,000)

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

LB 881 provides for a sales and use tax exemption, and sets requirements for detention facilities.

LB 881 defines feminine hygiene products and grooming and hygiene products. Additionally, the bill would exempt the gross receipts on the sale, storage, use, or consumption of such products from sales and use taxes.

LB 881 also defines detention facilities, and requires such facilities to provide feminine hygiene products to any female prisoner free of charge.

The operative date of the bill is October 1, 2022.

The Department of Revenue estimates the impact as follows:

	General Fund	State Highway Capital Improvement Fund	Highway Allocation Fund
FY22-23	(\$1,085,000)	(\$38,000)	(\$7,000)
FY23-24	(\$1,671,000)	(\$68,000)	(\$12,000)
FY24-25	(\$1,716,000)	(\$69,000)	(\$12,000)
FY25-26	(\$1,763,000)	(\$71,000)	(\$13,000)

There will be a revenue loss to the State Highway Capital Improvement Fund and the Highway Allocation Fund, which is distributed to cities and counties.

The department estimates no costs to implement the bill. The Nebraska Department of Correctional Services estimates no fiscal impact due to LB 881, as the department already provides feminine hygiene products free of charge.

There is no basis to disagree with these estimates.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 881	AM:	AGENCY/POLT. SUB: Department of Correctional Services	
REVIEWED BY: Neil Sullivan	DATE: 1/18/2022	PHONE: (402) 471-4179	
COMMENTS: The Department of Correctional Services assessment of no fiscal impact from LB 881 appears reasonable.			

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

LB: 881 AM: AGENCY/POLT. SUB: Department of Revenue

REVIEWED BY: Neil Sullivan DATE: 2/22/2022 PHONE: (402) 471-4179

COMMENTS: The Department of Revenue assessment of fiscal impact from LB 881 appears reasonable.

Please complete ALL (5) blanks in the first three lines.

2022

LB⁽¹⁾ 881

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Department of Correctional Services

Prepared by: ⁽³⁾ Lisa Stanton Date Prepared: ⁽⁴⁾ 01/11/2022 Phone: ⁽⁵⁾ (402)479-5702

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2022-23</u>		<u>FY 2023-24</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

NDCS estimates no fiscal impact as a result of LB881.

Feminine hygiene products are currently provided to female prisoners free of charge.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2022-23</u>	<u>2023-24</u>
	<u>22-23</u>	<u>23-24</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

Please complete ALL (5) blanks in the first three lines.

2022

LB⁽¹⁾ 881

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Department of Transportation

Prepared by: ⁽³⁾ Jenessa Boynton Date Prepared: ⁽⁴⁾ 2/22/2022 Phone: ⁽⁵⁾ 402-479-4691

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2022-23</u>		<u>FY 2023-24</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	<u>\$(38,000)</u>	_____	<u>\$(68,000)</u>
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	<u>\$(7,000)</u>	_____	<u>\$(12,000)</u>
TOTAL FUNDS	<u>_____</u>	<u>\$(45,000)</u>	<u>_____</u>	<u>\$(80,000)</u>

Explanation of Estimate:

LB 881 revises the Nebraska Revenue Act of 1967 to exempt sales and use tax on gross receipts from the sale, storage, use, or other consumption in this state of feminine hygiene products. The bill also requires detention facilities to supply feminine hygiene products to prisoners free of charge. The operative date is October 1, 2022.

Revenue to Build Nebraska Act Funds				
	FY2022/23	FY2023/24	FY2024/25	FY2025/26
State Highway Capital Improvement Fund	\$(38,000)	\$(68,000)	\$(69,000)	\$(71,000)
Highway Allocation Fund (cities and counties)	\$(7,000)	\$(12,000)	\$(12,000)	\$(13,000)
Total	\$(45,000)	\$(80,000)	\$(81,000)	\$(84,000)

This estimate of reduced revenue was obtained from the Nebraska Department of Revenue. The reduction in the sales tax base will divert revenue from the Build Nebraska Act funds, the State Highway Capital Improvement Fund for NDOT and the Highway Allocation Fund for cities and counties as identified in the table above.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2022-23</u>	<u>2023-24</u>
	<u>22-23</u>	<u>23-24</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____