

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

| <b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates) |                   |         |                   |         |
|-------------------------------------------------------------------------------------------------------|-------------------|---------|-------------------|---------|
|                                                                                                       | <b>FY 2017-18</b> |         | <b>FY 2018-19</b> |         |
|                                                                                                       | EXPENDITURES      | REVENUE | EXPENDITURES      | REVENUE |
| GENERAL FUNDS                                                                                         |                   |         |                   |         |
| CASH FUNDS                                                                                            |                   |         |                   |         |
| 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 251 amends Nebraska Revised Statutes Section 77-1359 regarding the definition of agricultural and horticultural land for valuation purposes.

The bill provides that whether or not a parcel of land is used primarily for agricultural or horticultural purposes is to be determined without regard to whether some of that land is platted and subdivided into separate lots or developed with improvements consisting of streets, sidewalks, curbs, gutters, sewer lines, or utility lines.

The Department of Revenue has estimated that there is no fiscal impact to the General Fund as a result of the provisions of LB 251 and cost to implement will be minimal.

There could be some increase in TEEOSA aid but it would be minimal.

IMPACT TO POLITICAL SUBDIVISIONS:

The Nebraska Association of Counties (NACO) estimates that LB 251 could result in a decrease in the valuation base of some counties but the fiscal impact is unknown.

We have no basis to disagree with NACOs estimate of fiscal impact.

| <b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b> |                 |                                                      |  |
|--------------------------------------------------------------------------------------------------|-----------------|------------------------------------------------------|--|
| LB: 251                                                                                          | AM:             | AGENCY/POLT. SUB: Department of Revenue              |  |
| REVIEWED BY: Lyn Heaton                                                                          | DATE: 2/14/2017 | PHONE: <a href="tel:402-471-4181">(402) 471-4181</a> |  |
| COMMENTS: Concur. No fiscal impact on the Dept. of Revenue.                                      |                 |                                                      |  |

| <b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>                                                        |                 |                                                             |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-------------------------------------------------------------|--|
| LB: 251                                                                                                                                                 | AM:             | AGENCY/POLT. SUB: NE Association of County Officials (NACO) |  |
| REVIEWED BY: Lyn Heaton                                                                                                                                 | DATE: 2/14/2017 | PHONE: <a href="tel:402-471-4181">(402) 471-4181</a>        |  |
| COMMENTS: Concur with the NACO estimate of indeterminate fiscal impact. The impact of the bill on the statewide valuation base is likely to be minimal. |                 |                                                             |  |



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

**2017**

**LB<sup>(1)</sup> 251**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Association of County Officials (NACO)

Prepared by: <sup>(3)</sup> Elaine Menzel Date Prepared: <sup>(4)</sup> 1/17/2017 Phone: <sup>(5)</sup> 402.434.5660

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

|               | <u>FY 2017-18</u>   |                | <u>FY 2018-19</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:

LB 251 would incorporate additional considerations for what is considered agricultural or horticultural purposes for assessment. It would provide that agricultural or horticultural purposes whether a parcel of land is primarily for agricultural or horticultural purposes shall be determined without regard to whether some or all of the parcel is platted and subdivided into separate lots or developed with improvements consisting of streets, sidewalks, curbs, gutters, sewer lines, water lines, or utility lines.

The fiscal impact to counties is unknown; however, it may reduce the tax base for all political subdivisions.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

Personal Services:

| <u>POSITION TITLE</u>     | <u>NUMBER OF POSITIONS</u> |              | <u>2017-18</u>      | <u>2018-19</u>      |
|---------------------------|----------------------------|--------------|---------------------|---------------------|
|                           | <u>17-18</u>               | <u>18-19</u> | <u>EXPENDITURES</u> | <u>EXPENDITURES</u> |
| _____                     | _____                      | _____        | _____               | _____               |
| Benefits.....             | _____                      | _____        | _____               | _____               |
| Operating.....            | _____                      | _____        | _____               | _____               |
| Travel.....               | _____                      | _____        | _____               | _____               |
| Capital outlay.....       | _____                      | _____        | _____               | _____               |
| Aid.....                  | _____                      | _____        | _____               | _____               |
| Capital improvements..... | _____                      | _____        | _____               | _____               |
| TOTAL.....                | _____                      | _____        | _____               | _____               |