Doug Gibbs February 10, 2017 402-471-0051

## LB 251

## 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	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.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE							
LB: 251 AM: AGENCY/POLT. SUB: Department of Revenue							
REVIEWED I	BY: Lyn Heaton	DATE: 2/14/2017 PHONE: (402) 471-4181					
COMMENTS: Concur. No fiscal impact on the Dept. of Revenue.							

	ADMINISTRATIVE SERVICES	STATE BUDGET DIVISION	N: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 25	51 AM:	AGENCY/POLT. SU	JB: NE Association of County Officials (NACO)			
REVIE	EWED BY: Lyn Heaton	DATE: 2/14/2017	PHONE: (402) 471-4181			
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.						

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

LB 251 amends § 77-1359 to provide that whether a parcel of land is used for agricultural purposes, and valued as agricultural land, is determined without regard to whether some or all of the parcel has been platted and subdivided into separate lots or developed with improvements such as streets, sidewalks, curbs, gutters, sewer lines, water lines, or utility lines.

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

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

Major Objects of Expenditure								
Class Code	<b>Classification Title</b>	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>	
Operating Costs								
Travel								
Capital Outlay								
Aid								
Capital Improvements								
Total								

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LB <sup>(1)</sup> 251				<b>FISCAL NOTE</b>			
State Agency OR Po	litical 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: 0	5) 402.434.5660			
	ESTIMATE PROVID	ED BY STATE AGENO	Y OR POLITICAL SUBDIVIS	SION			
		2017-18	FY 20	19_10			
<u>EXPENDITURES</u>		<u>REVENUE</u>	EXPENDITURES	<u>REVENUE</u>			
GENERAL FUND	S						
CASH FUNDS							
FEDERAL FUNDS	s						
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.

DOWN BY MA.	<b>JOR OBJECTS O</b>	F EXPENDITURE	
NUMBER OF	F POSITIONS	2017-18	2018-19
<u>17-18</u>	<u>18-19</u>	<b>EXPENDITURES</b>	EXPENDITURES
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	NUMBER OF	NUMBER OF POSITIONS        17-18      18-19	17-18  18-19  EXPENDITURES