Douglas Gibbs February 07, 2018 402-471-0051

LB 984

Revision: 00 FISCAL NOTE LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)						
	FY 2018-19		FY 2019-20			
	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 984 amends the Nebraska Lottery and Raffle Act.

Section 9-426 is amended to change the duration of special permits that may be issued to an organization. The bill provides that a special permit may be issued and is valid for either 90 days or 180 days as determined by the Department of Revenue. In addition, no organization may be allowed more than two 90-day special permits or more than one 180-day special permit in a twelve-month period beginning October 1 of each year.

Section 9-427 is amended to change the maximum prize percentage from not less than 65% to not less than 45% of gross proceeds for lotteries conducted without a special permit.

Lotteries conducted under a special permit issued under Section 9-426 are exempt from the provisions of Section 9-427 (2) and (3), regarding prize percentage. They are also exempt from the provisions of Section 9-430, which provides age restrictions regarding participation and play.

The Department of Revenue estimates no fiscal impact to the General Fund and minimal cost to the Department to implement the provisions of LB 984.

We agree with the Department of Revenue's estimate of fiscal impact and cost.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE							
LB: 984	LB: 984 AM: AGENCY/POLT. SUB: Dept. of Revenue						
REVIEWED	BY: Lyn Heaton	DATE: 2/9/2018	PHONE: (402) 471-4181				
COMMENTS: No basis upon which to disagree with the Department of Revenue's analysis.							

Fiscal Note 2018

State Agency Esumate								
State Agency Name: Department of				Date Due LFA:	01/24/2018			
Approved by: Tony Fulton Date Prepared:		01/16/2018		Phone: 471-5896				
	FY 2018-2019		FY 2019-2020		FY 2020-2021			
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue		
General Funds								
Cash Funds								
Federal Funds								
Other Funds								
Total Funds								

LB 984 changes the number and duration of lottery and raffle special permits which a licensed organization can receive. Currently, a licensed organization can apply for one 90-day special permit per 12-month period. This bill would allow a licensed organization to apply for either two 90-day special permits, or one 180-day special permit per 12-month period.

A lottery or raffle conducted under a special permit is exempt from (1) the 65% of gross proceeds prize payout requirement, (2) the 10% of gross proceeds expense limitation, and (3) a minimum 18 years of age participation restriction, all of which would otherwise apply to lotteries exceeding \$1,000 in gross proceeds, and raffles exceeding \$5,000 in gross proceeds.

For lotteries and raffles conducted without a special permit, LB 984 lowers the current prize payout requirement from 65% of gross proceeds to 45% of gross proceeds.

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									
<u>Class Code</u>	Classification Title	18-19 <u>FTE</u>	19-20 <u>FTE</u>	20-21 <u>FTE</u>	18-19 <u>Expenditures</u>	19-20 <u>Expenditures</u>	20-21 <u>Expenditures</u>		
Benefits	Benefits								
Operating Costs									
Travel									
Capital Outlay									
Capital Improvements									
Total									