PREPARED BY: DATE PREPARED: PHONE: Douglas Gibbs February 20, 2018 402-471-0051

LB 1104

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT — STATE AGENCIES (See narrative for political subdivision estimates)								
	FY 201	8-19	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 1104 amends Nebraska Revised Statutes Sections 77-1344 and 77-1347, regarding special valuation of agricultural and horticultural land.

Section 77-1344 is amended to add to the requirements necessary to receive special valuation. The bill would provide that in addition to current requirements, for land located in a county with 100,000 or more inhabitants and the property consists of no more than five contiguous acres the owner or lessee must prove the following:

- > They derived at least 15% of their gross income from agricultural or horticultural activities in the preceding year; OR
- > The land produced at least \$1,000 of gross revenue from agricultural or horticultural activities in the preceding year.

Section 77-1347 is amended to provide that land loses its special valuation when the above can no longer be proved by the owner or lessee.

The bill has an operative date of January 1, 2019.

The Department of Revenue indicates minimal costs to the Department to implement.

There is minimal fiscal impact to the state.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE							
LB: 1104	LB: 1104 AM: AGENCY/POLT. SUB: NE Assoc. of County Officials						
REVIEWED B	REVIEWED BY: Lyn Heaton DATE: 2/20/2018 PHONE: <u>(402) 471-4181</u>						
COMMENTS: No basis upon which to disagree with NACO's analysis.							

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE						
LB: 1104	LB: 1104 AM: AGENCY/POLT. SUB: NE City of Lincoln					
REVIEWED B	REVIEWED BY: Lyn Heaton DATE: 2/20/2018 PHONE: (402) 471-4181					
COMMENTS: Concur with the City of Lincoln's estimate of no operational fiscal impact.						

LB 1104 Fiscal Note 2018

State Agency Estimate									
State Agency Name: Department of Revenue Date Due LFA:									
	Date Prepare	red: Phone: 471-5896							
FY 2018-	2019	FY 2019	<u>-2020</u>	FY 2020-2021					
Expenditures	Revenue	Expenditures	Revenue	<u>Expenditures</u>	Revenue				
See Below		See Below		See Below					
See Below		See Below		See Below					
	FY 2018- Expenditures See Below	Revenue Date Prepare FY 2018-2019 Expenditures See Below See Below	Date Prepared: FY 2018-2019 FY 2019	Date Prepared:	Revenue Date Due LFA: Date Prepared: Phone: 471-5896 FY 2018-2019 FY 2019-2020 FY 2020 Expenditures Revenue Expenditures See Below See Below See Below				

LB1104 would amend Neb. Rev. Stat. § 77-1344 to change the qualification criteria for special valuation. For land located in counties with a population of 100,000 inhabitants or more and consisting of no more than five contiguous acres, the owner or lessee of the land must prove that for the immediately preceding year, either (1) he or she derived at least 15% of his or her gross income from agricultural or horticultural activities, or (2) the land produced at least \$1,000 of gross revenue from agricultural or horticultural activities. This bill would also amend § 77-1347 to provide that land can become disqualified if the owner or lessee of the land is no longer able to prove that either of the two above items occurred in the immediately preceding year.

LB 1104 has an operative date of January 1, 2019.

This bill will have an effect on TEEOSA, which will have a corresponding impact on General Fund expenditures.

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

Major Objects of Expenditure									
Class Code	Classification Title	18-19 <u>FTE</u>	19-20 <u>FTE</u>	20-21 <u>FTE</u>	18-19 Expenditures	19-20 Expenditures	20-21 Expenditures		
Renefits									
Operating Costs									
	Travel								
Capital Outlay									
	nts								
Total									

LB(1) 11(04						FISCAL NOTE
State Agency OR Political Subdivision Name: (2)			City of	Lincoln			
Prepared by: (3) James Van Bruggen		s Van Bruggen	Date	Prepared: (4)	1/23/18	Phone: (5)	402-441-8325
	E	ESTIMATE PRO	VIDED BY S	TATE AGENO	CY OR POLITI	CAL SUBDIVISION	ON
		<u>[</u>	Y 2018-19			FY 2019	P-2 <u>0</u>
		EXPENDITUR	<u>ES</u>	<u>REVENUE</u>	<u>EXPEN</u>	<u>IDITURES</u>	<u>REVENUE</u>
GENERAL FU	JNDS				<u> </u>		
CASH FUNDS	S						·
FEDERAL FU	JNDS		<u> </u>				
OTHER FUN	DS						
TOTAL FUN	DS						
Explanation o	f Estimate:						
No fiscal imp	act.						
Personal Serv	leas	BREAKD	OWN BY MA	JOR OBJECT	S OF EXPEN	DITURE	
				F POSITION:		118-19	2019-20
POS	SITION TI	TLE	<u>18-19</u>	<u>19-20</u>	EXPEN	<u>IDITURES</u>	<u>EXPENDITURES</u>
Renefits							
Capital outlay	·					 ,	
Aid							
Capital impro	vements						
TOTAL							

LB (1)	1104	ļ					FISCAL NOTE			
State Agency OR Political Subdivision Name: (2)			Nebra	Nebraska Association of County Officials (NACO)						
Prepared by: (3) Elaine Menzel		Dat	e Prepared: (4)	1//22/2018	Phone: (5)	402.434.5660				
		ESTIMATE PRO	VIDED BY S	STATE AGEN	CY OR POLITIC	CAL SUBDIVISION	ON			
			FY 2018-19			FY 2019	-20			
		<u>EXPENDITUR</u>		<u>REVENUE</u>	<u>EXPEND</u>		<u>REVENUE</u>			
GENER	RAL FUN	DS	<u> </u>							
CASH F	UNDS		<u> </u>							
FEDER	AL FUNI	os			_					
OTHER	R FUNDS				<u>_</u>					
TOTAL	_ FUNDS									
Explana	ation of E	stimate [.]								
in the i agricul the val	mmediat tural or l uation of	rived at least fifteen per ely preceding year or (norticultural activities in f properties in these con- els if it meets the condi	ii) the land n the imme unties for p tions outlin	produced at l diately preced roperty of thi ed.	east one thousa ling year. Poten s nature becaus	and dollars of g ntially there wil e it would be v	ross revenue from l be an increase in			
Persona	al Services		<u>OWN BY M</u>	AJOR OBJEC	<u> </u>	<u>l I URE</u>				
		ION TITLE	NUMBER (<u>18-19</u>	OF POSITION <u>19-20</u>		8-19 DITURES	2019-20 EXPENDITURES			
			-	_						
Benefits	S									
Operati	ing									
		nants								
Capital	mipi oven	nents								