# LB 13

## Revision: 00 FISCAL NOTE LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)								
	FY 201	9-20	FY 20	20-21				
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE				
GENERAL FUNDS		(\$195,000)		(\$290,000)				
CASH FUNDS		(\$8,000)		(\$12,000)				
FEDERAL FUNDS								
OTHER FUNDS								
TOTAL FUNDS		(\$203,000)		(\$302,000)				

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

LB 13 creates a sales and use tax exemption for the following items purchased by an individual for home use:

- Breast pumps, including repair and replacement parts;
- Breast pump collection and storage supplies;
- Breast pump kits, and if the kit includes taxable items, the kit is exempt if the sales price of the taxable items is 10% or less of the total price; and
- Nursing pads.

LB 13 also excludes breast feeding a child in a public place from the public indecency criminal provision. Public indecency is a Class II misdemeanor.

#### **Revenue:**

The Department of Revenue estimates the following revenue to the State General Fund, the State Highway Capital Improvement Fund, and the Highway Allocation Fund:

Fiscal Year	General Fund	State Highway Capital Improvement Fund	Highway Allocation Fund	Total
2019-20	(\$195,000)	(\$8,000)	(\$1,000)	(\$204,000)
2020-21	(\$290,000)	(\$12,000)	(\$2,000)	(\$304,000)
2021-22	(\$324,000)	(\$13,000)	(\$2,000)	(\$339,000)

#### Expenditures:

The Department of Revenue estimates there are no costs to implement LB 13.

Because the bill excludes an activity from a criminal statute, there could also be a minimal impact to political subdivisions. Misdemeanor sentences are generally served in county jails if jail time is imposed. This could result in reduced costs to counties. In addition, any fines assessed pursuant to convictions accrue to the county where the violation occurs to be used for the support of public schools. Fewer convictions may result in a reduction in fines. This amount is not known at this time.

LB: 13	AM:	AGENCY/POLT. SUB: Department of Revenue	
REVIEWED BY:	Lee Will	DATE: 1/22/2019	PHONE: (402) 471-4175

### Fiscal Note 2019

State Agency Name: Department	t of Revenue				Date Due LFA:	1/22/19
Approved by: Tony Fulton		Date Prepared:	1/18/19		Phone: 471-5896	
FY 2019-2020		-2020	FY 2020-2021		FY 2021-2022	
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue
General Funds	\$0	(\$195,000)	\$0	(\$290,000)	\$0	(\$324,000)
Cash Funds		(\$8,000)		(\$12,000)		(\$13,000)
Federal Funds						
Other Funds		(\$1,000)		(\$2,000)		(\$2,000)
Total Funds	\$0	(\$204,000)	\$0	(\$304,000)	\$0	(\$339,000

LB 13 has two parts:

1) Breast feeding is specifically excluded from the public indecency criminal statute.

- 2) Provides a sales and use tax exemption for breast pumps and certain related parts, such as:
  - a) Breast pumps purchased by an individual for home use; Breast pump collection and storage supplies purchased by an individual for home use;
  - b) Breast pump kits purchased by an individual, as long as the value of the taxable TPP included in the kit is less than 10% of the sales price of the kit; and
  - c) Nursing pads purchased by an individual for home use.

The operative date for LB 13 is October 1, 2019.

The Department estimates approximately 20,500 mothers breast feed their newly born infants, annually. The Department assumes roughly 10%, of these mothers will not purchase or rent breast pumps from a store or submit claims through their respective insurance providers, with a portion of eligible mothers utilizing the State's Women, Infants, and Children program to receive breast pumps for each pregnancy. Assuming the average cost of \$250 per breast pump, the estimated fiscal impact are as follows:

Fiscal Year	General Fund	State Highway Capital Improvement Fund	Highway Allocation Fund	Total
2019-20	(\$195,000)	(\$8,000)	(\$1,000)	(\$204,000)
2020-21	(\$290,000)	(\$12,000)	(\$2,000)	(\$304,000)
2021-22	(\$324,000)	(\$13,000)	(\$2,000)	(\$339,000)

It is estimated that there will be no costs to the Department to implement this bill.

Major Objects of Expenditure									
Class Code	Classification Title	19-20 <u>FTE</u>	20-21 <u>FTE</u>	21-22 <u>FTE</u>	19-20 <u>Expenditures</u>	20-21 <u>Expenditures</u>	21-22 <u>Expenditures</u>		
Benefits									
Operating Costs									
Travel									
Capital Outlay									
Capital Improvements									
Total									