PREPARED BY: DATE PREPARED: PHONE: Keisha Patent February 21, 2020 402-471-0059

LB 1212

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT - STATE AGENCIES (See narrative for political subdivision estimates)							
	FY 202	20-21	FY 2021-22				
	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 1212 requires political subdivisions (counties, cities, villages, school districts, learning communities, sanitary and improvement districts, natural resources districts, educational service units, and community colleges) to comply with certain notice and hearing requirements prior to setting the property tax request at an amount that exceeds the property tax request for the prior year, accounting for allowable growth.

Allowable growth is defined as the growth in assessed value of property from the prior assessment year to the current assessment year resulting from (1) annexation of property or (b) development of property. The act also requires any resolution or ordinance setting the political subdivision's property tax request to include certain information.

This bill is not estimated to have a fiscal impact to the state. The Department of Revenue estimates no impact to General Fund revenue and no cost to implement the bill.

There could be some costs to political subdivisions based upon the notice and hearing requirements in the bill. The political subdivisions providing a fiscal note response estimate additional costs ranging from \$1,000 to \$5,000 per fiscal year. Additional estimated costs include per diems, mileage, advertising, and other administrative expenses. There is no basis to disagree with these estimates.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE						
LB: 1212	AM:	AGENCY/POLT. SUB: City of Lincoln				
REVIEWED BY:	Lee Will	DATE: 01/30/2020	PHONE: (402) 471-4175			
COMMENTS: No basis to disagree with City of Lincoln's assessment of fiscal impact.						

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE						
LB: 1212	AM:	AGENCY/POLT. SUB: Lancaster County				
REVIEWED BY:	Lee Will	DATE: 01/31/2020	PHONE: (402) 471-4175			
COMMENTS: Lancaster County's assessment of fiscal impact seems reasonable.						

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE						
LB: 1212	AM:	AGENCY/POLT. SUB: Central Platte NRD				
REVIEWED BY:	Lee Will	DATE: 01/31/2020	PHONE: (402) 471-4175			
COMMENTS: The Central Platte NRD's assessment of fiscal impact seems reasonable.						

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE						
LB: 1212	AM:	AGENCY/POLT. SUB: Papio-Missouri River	Natural Resources District			
REVIEWED BY:	Lee Will	DATE: 01/30/2020	PHONE: (402) 471-4175			
COMMENTS: No basis to disagree with Papio-Missouri NRD's assessment of fiscal impact.						

LB1212 Fiscal Note 2020

	State Agend	cy Estimate				
of Revenue			D	ate Due LFA:		
	Date Prepare	d:	Pl	Phone: 471-5896		
FY 2020	-2021	FY 2021	-2022	FY 2022	-2023	
Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue	
\$0	\$0	\$0	\$0	\$0	\$0	
\$0	\$0	\$0	\$0	\$0	\$0	
	Expenditures \$0	of Revenue Date Prepare FY 2020-2021 Expenditures \$0 \$0 \$0	Date Prepared: FY 2020-2021 FY 2021	To Revenue Date Prepared: Prepared: FY 2021-2022 Expenditures Revenue Expenditures Revenue \$0 \$0 \$0 \$0	Date Prepared: Date Due LFA: Date Prepared: Phone: 471-5896 FY 2020-2021 FY 2021-2022 FY 2022-2022 Expenditures Revenue Expenditures \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	

LB 1212 adopts the Property Tax Request Act (Act) and harmonizes existing law.

Sections 1, 4, and 7 harmonize current Neb. Rev. Stat. §§ 77-1601, 77-1601.02, and 77-1776 with the Property Tax Request Act.

Section 2 establishes the Act.

Section 3 defines political subdivision and property tax request.

Section 5 provides that a political subdivision may set its property tax request at an amount greater than the property tax request from the prior year if it holds a public hearing, provides notice of such hearing, and passes a resolution or ordinance in accordance with the Act.

Under the Act, the public hearing must be held at a meeting where the only items on the agenda for discussion will be: (i) discussion and action on the political subdivisions intent to approve a tax request that exceeds the property tax request from the prior year, and (ii) the political subdivisions budget. Interested parties at the public hearing are to be allowed to make public comment within reasonable time limits and with no unreasonable restriction on the number of individuals allowed to make public comment. The political subdivision cannot schedule the public hearing at the same time as a public hearing of another political subdivision in the same county. The political subdivision must hold the public hearing at or after 6 p.m.

The notice of the hearing must comply with specific requirements that are provided in the Act. The notice must be published in a newspaper or combination of newspapers of general circulation in the political subdivision. The notice must:

- 1. Be no less than one-fourth page in size;
- 2. Use type no smaller than eighteen point;
- 3. Be surrounded by a one-fourth inch border;
- 4. Be published once each week for the two weeks before the political subdivision conducts the public hearing; and
- 5. State that the political subdivision will meet on a certain day, time, and place fixed in the notice, which is to be seven or more days after the day of the first publication, for the purpose of hearing comments regarding the proposed increase in the property tax request over the amount from the prior year.

The notice is not to be placed in that portion of the newspaper with legal notices and classified advertisements. The notice is to be in a newspaper that is published at least one day per week. The form and content of the notice are also spelled out in the Act.

Any resolution or ordinance setting a political subdivision's property tax request at an amount that exceeds the property tax request ask from the prior year must include:

- 1. The name of the political subdivision;
- 2. The amount of the property tax request;

- 3. The following statements:
 - a. The percentage difference of the assessed value from the prior year;
 - b. The result of the tax rate which would levy the same amount of property taxes from the prior year, when multiplied by the new total assessed value of property per \$100 of assessed value;
 - c. What the political subdivision proposed to adopt for a specific the tax rate per \$100 of assessed value; and
 - d. The percentage the total operating budget will exceeds the prior year's operating budget; and
- 4. The record vote of the governing body passing the resolution or ordinance.

Any resolution or ordinance setting a property tax request under the Act is to be certified and forwarded to the county clerk on or before October 13 of the year for which the tax request is to apply.

Section 6 provides that any levy not in compliance with the Property Tax Request Act shall be considered an unauthorized levy under Neb. Rev. Stat. § 77-1606.

Section 8 repeals original sections.

It is estimated that LB 1212 will have no impact on General Fund revenues.

It is estimated that there will be no cost to the Department of Revenue to implement this bill.

The operative date for this bill is three months after adjournment.

Major Objects of Expenditure								
Class Code	Classification Title	20-21 <u>FTE</u>	21-22 <u>FTE</u>	22-23 <u>FTE</u>	20-21 Expenditures	21-22 Expenditures	22-23 Expenditures	
Benefits								
Operating Costs								
Travel								
Capital Outlay								
Capital Improvements								

TOTAL.....

				FISCAL NOTE
bdivision Name: (2)	City of Lincoln			
Van Bruggen	Date Prepared: (4)	1/29/20	Phone: (5)	402-441-8301
STIMATE PROVID	DED BY STATE AGEN	CY OR POLIT	ICAL SUBDIVIS	ION
FY 20	020-21		FY 2021	-22
EXPENDITURES	REVENUE	EXPENI		REVENUE
		<u> </u>		
		· <u></u>		
BREAKDOWN	N BY MAJOR OBJECT	S OF EXPEND	<u>ITURE</u>	
				2021-22 EXPENDITURES
		<u> </u>		
	STIMATE PROVIDE FY 20 EXPENDITURES t is estimat BREAKDOWN LE 9	Date Prepared: (4) STIMATE PROVIDED BY STATE AGEN FY 2020-21 EXPENDITURES REVENUE BREAKDOWN BY MAJOR OBJECT NUMBER OF POSITIONS 20-21 21-22	Date Prepared: (4) 1/29/20 STIMATE PROVIDED BY STATE AGENCY OR POLITE FY 2020-21 EXPENDITURES REVENUE EXPEND The state of the state	bidivision Name: (2) Van Bruggen Date Prepared: (4) 1/29/20 Phone: (5) STIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVIS FY 2020-21 EXPENDITURES REVENUE EXPENDITURES The stimated to be \$1,000. BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE NUMBER OF POSITIONS 2020-21 EXPENDITURES LE 20-21 21-22 EXPENDITURES

FISCAL NOTE

LB⁽¹⁾ 1212

State Agency OR I	Political Subdivision Name: (Lancas	ster county			
Prepared by: (3)	Dan Nolte	Date	Prepared: (4)	01/28/2020	Phone: (5)	402-441-8721
<u> </u>	ESTIMATE PRO	VIDED BY S	STATE AGEN	NCY OR POLITICAL	<u>SUBDIVISI</u>	ON
	F	Y 2020-21			FY 2021-	.00
	<u>EXPENDITUR</u>		<u>REVENUE</u>	EXPENDITU		REVENUE
GENERAL FUN	DS \$2319	<u> </u>		\$2319		
CASH FUNDS						
FEDERAL FUNI	DS					
OTHER FUNDS					<u></u>	
TOTAL FUNDS	\$2319			\$2319	=	
	based on requirem nt, as well as over	time cost	s associate	ed with staffing	g an even	
Personal Service		JWN BY MA	JOR OBJECT	S OF EXPENDITU	<u>KE</u>	
POSIT	ION TITLE	NUMBER O 20-21	F POSITIONS 21-22	S 2020-21 <u>EXPENDITU</u>	URES	2021-22 EXPENDITURES
Renefits						
				-		
Capital outlay						
Aid						
Capital improver	nents					
TOTAL						

LB ⁽¹⁾ 1212					FISCAL NOTE
State Agency OR Political	l Subdivision Name: ⁽²⁾	Central Platte NRI)		
Prepared by: (3) Kelly	/ Cole	Date Prepared: (4)	01/28/2020	Phone: (5)	308-385-6282
	ESTIMATE PROVI	— DED BY STATE AGEN	CY OR POLITIC	— CAL SUBDIVIS	ION
			TOT OIL TODAY		
	EXPENDITURES	<u>REVENUE</u>	EXPENDI	<u>FY 2021</u> TURES	<u>-22</u> <u>REVENUE</u>
GENERAL FUNDS	3000.00		3000	.00	
CASH FUNDS					
FEDERAL FUNDS					
OTHER FUNDS					
TOTAL FUNDS					
Explanation of Estimat	e :				
Increase costs to our Director Per Diem for Director Mileage for a Advertising for addition	additional meeting additional meeting	e following:			
	BREAKDOW	N BY MAJOR OBJECT	S OF EXPENDI	ΓURE	
Personal Services:	NI	IMPED OF DOCITION	S 2020	01	2021 22

DILEAILE	OWN DI MA	JON OBJECTS O	T EXI ENDITURE	
Personal Services:				
	NUMBER OF	F POSITIONS	2020-21	2021-22
POSITION TITLE	<u>20-21</u>	21-22	EXPENDITURES	EXPENDITURES
_	·			
Benefits	·			
Operating	••		600.00	600.00
Travel	· 		2400.00	2400.00
Capital outlay				
Aid				
Capital improvements				
TOTAL				

$LB^{(1)}$	1212						FISCAL NOTE	
State A	gency OR Po	olitical Subdivision Name: ⁽²⁾	Papio-Missouri River Natural Resources District					
Prepar	ed by: (3)	John Winkler	Dat	te Prepared: (4)	January 27, 2020	Phone: (5)	402-444-6222	
		ESTIMATE PROV	<u>/IDED BY</u>	STATE AGE	NCY OR POLITICAL	SUBDIVIS	ION	
		FX	7 2020-2 1			FY 2021	-99	
		<u>EXPENDITURE</u>		REVENUE	EXPENDITU		REVENUE	
GENE	RAL FUND	OS						
CASH	FUNDS				_			
FEDEI	RAL FUND	os						
	R FUNDS				_			
	L FUNDS	\$5,000						
IOIA	L FUNDS	Φ5,000	= =					
Explan	ation of Es	timate:						
Dorson	al Services		WN BY M	IAJOR OBJECT	<u> rs of expenditu</u>	<u>RE</u>		
1 CISON	aar gervices		NUMBER	OF POSITION	S 2020-21	2020-21 2021-29		
	POSITI	ON TITLE	<u>20-21</u>	<u>21-22</u>	EXPENDITU	<u>JRES</u>	EXPENDITURES	
				<u> </u>	_			
Benefit	ts				_			
Capital	l outlay							
Aid								
Capital	l improvem	ents						
ТО	TAL							