PREPARED BY: DATE PREPARED: PHONE: Keisha Patent February 23, 2022 402-471-0059

LB 1097

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)								
	FY 2022-23 FY 2023-24							
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE				
GENERAL FUNDS		(\$37,000)		(\$60,000)				
CASH FUNDS		(\$1,000)		(\$2,000)				
FEDERAL FUNDS								
OTHER FUNDS								
TOTAL FUNDS		(\$38,000)		(\$62,000)				

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

LB 1097 seeks to amend sales and use tax to specifically exclude gross income from towing performed to repossess a motor vehicle from gross receipts. The operative date is October 1, 2022.

The Department of Revenue estimates the impact as follows:

		State Highway Capital	Highway
	General Fund	Improvement Fund	Allocation Fund
FY22-23	(\$37,000)	(\$1,000)	
FY23-24	(\$60,000)	(\$2,000)	-
FY24-25	(\$63,000)	(\$3,000)	-
FY25-26	(\$67,000)	(\$3,000)	-
FY26-27	(\$71,000)	(\$3,000)	(\$1,000)

There will be a revenue loss to the State Highway Capital Improvement Fund and the Highway Allocation Fund, which is distributed to cities and counties.

The department estimates minimal costs to implement the bill. There is no basis to disagree with these estimates.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE							
LB: 1097 AM: AGENCY/POLT. SUB: Department of Revenue							
REVIEWED B	3Y: Neil Sullivan	DATE: 2/22/2022	PHONE: (402) 471-4179				
COMMENTS: The Department of Revenue assessment of fiscal impact from LB 1097 appears reasonable.							

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE						
LB: 1097	AM:	AGENCY/POLT. SUB: Departr	ment of Transportation			
REVIEWED B	SY: Neil Sullivan	DATE: 2/23/2022	PHONE: (402) 471-4179			
COMMENTS: The Department of Transportation assessment of minimal fiscal impact from LB 1097 appears reasonable.						

LB 1097 Fiscal Note 2022

State Agency Estimate							
State Agency Name: Department of	of Revenue				Date Due LFO:		
Approved by: Tony Fulton Date Prepared: 2/22/2022					Phone: 471-5896		
	FY 2022	2-2023	FY 2023-2024		FY 2024	FY 2024-2025	
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue	
General Funds		\$ (37,000)		\$ (60,000)		\$ (63,000)	
Cash Funds		\$ (1,000)		\$ (2,000)		\$ (3,000)	
Federal Funds							
Other Funds		\$ 0		\$ 0		\$ 0	
Total Funds		\$ (38,000)		\$ (62,000)		\$ (66,000)	

LB 1097 amends section Neb. Rev. Stat. § 77-2701.16 to exclude from gross receipts the gross income received for towing performed in connection with the repossession of a motor vehicle.

The estimated fiscal impact to the General Fund revenues would be as follows:

Fiscal Year	General Fund Revenues	State Highway Capital Improvement Fund		Highway Allocation Fund	
FY22-23	\$ (37,000)	\$	(1,000)	\$	-
FY23-24	\$ (60,000)	\$	(2,000)	\$	-
FY24-25	\$ (63,000)	\$	(3,000)	\$	-
FY25-26	\$ (67,000)	\$	(3,000)	\$	-
FY26-27	\$ (71,000)	\$	(3,000)	\$	(1,000.00)

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

The operative date for this bill is October 1, 2022.

Major Objects of Expenditure								
Class Code	Classification Title	22-23 <u>FTE</u>	23-24 <u>FTE</u>	24-25 <u>FTE</u>	22-23 Expenditures	23-24 Expenditures	24-25 Expenditures	
Benefits								
Operating Costs								
Travel								
Capital Outlay								
Capital Improvements								

LB ⁽¹⁾ 109	7						FISCAL NOTE
State Agency OR	Political	Subdivision Name: (₂₎ Nebr	aska Departn	nent of Tran	sportation	
Prepared by: (3)	Jenes	ssa Boynton	Da	te Prepared: (4)	2/17/2022	Phone:	(5) 402-479-4691
		ESTIMATE PRO	VIDED B	Y STATE AGEN	CY OR POLI	TICAL SUBDI	VISION
		<u>E</u> EXPENDITURI	<u>Y 2022-2:</u> FS	<u>3</u> <u>REVENUE</u>	FXPFN	<u>FY 20</u> NDITURES	023-24 REVENUE
GENERAL FU	NDS	EM ENDITOR	<u> </u>	REVERCE	<u>EMI EI</u>	(BIT CILLS	REVERVEE
CASH FUNDS							
FEDERAL FUN	NDS						
OTHER FUND	S						
TOTAL FUND	s						
According to trevenues to the	th the re he Depa ne Build	possession of a artment of Rever	motor ve nue, the c nds, the S	hicle. The ope hange in the sa State Highway (rative date is ales tax base	October 1, 20 will result in a	or vehicle towing in 022. a minimal decrease in for NDOT and the
Personal Servic	ees: TION TI			MAJOR OBJECT OF POSITIONS 23-24	S 20	DITURE 022-23 NDITURES	2023-24 EXPENDITURES
Ronofits							
• 0							
Capital outlay							
Capital improve	ements						