PREPARED BY: DATE PREPARED: PHONE: Scott Danigole February 08, 2022 471-0055

LB 919

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)							
	FY 202	22-23	FY 2023-24				
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE			
GENERAL FUNDS		(\$2,750,000)		(\$2,750,000)			
CASH FUNDS	\$825,000	\$825,000	\$825,000	\$825,000			
FEDERAL FUNDS							
OTHER FUNDS							
TOTAL FUNDS	\$825,000	(\$1,925,000)	\$825,000	(\$1,925,000)			

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

LB 919 amends provisions of the Sports Arena Facility Financing Assistance Act.

Section 1 extends the length of time (from 48 months to 60 months) that eligible sports arena facilities that are a sports complex may count increased state sales tax revenue. The bill also extends the area of coverage under section 13-3102 from 600 yards to 1,500 yards.

The Department of Revenue is unable to determine the amount of General Fund and Cash Fund impact for future qualifying projects. For the current project covered by the program, it is estimated that there will be a General Fund revenue loss of \$2,750,000 per year. Thirty percent of the sales tax revenue is credited to the Support the Arts Cash Fund (83%) and the Convention Center Support Fund (17%).

There is no basis to disagree with the Department of Revenue's estimates.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE					
LB: 919 AM: AGENCY/POLT. SUB: Department of Revenue					
REVIEWED BY:	Neil Sullivan	DATE: 2/8/2022	PHONE: (402) 471-4179		
COMMENTS: No basis to disagree with the Department of Revenue assessment of minimal administrative fiscal impact and indeterminate revenue impact from LB 919.					

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE				
LB: 919	AM:	AGENCY/POLT. SUB: State 1	reasurer	
REVIEWED I	BY: Neil Sullivan	DATE: 1/21/2022	PHONE: (402) 471-4179	
COMMENTS: No basis to disagree with the State Treasurer assessment of no fiscal impact from LB 919.				

LB 919 Fiscal Note 2022

State Agency Estimate						
State Agency Name: Department of Revenue			Date Due LFO:			
Approved by: Tony Fulton		Date Prepared:	2/7/2022		Phone: 471-5896	
	FY 2022-2023		FY 2023-2024		FY 2024-2025	
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue
General Funds		See below		See below		See below
Cash Funds						
Federal Funds						
Other Funds		_				
Total Funds		See below		See below		See below

LB 919 would amend the Sports Arena Facility Financing Assistance Act to:

- 1. Broaden the permissible applicants from municipalities and counties to all political subdivisions as defined in Neb. Rev. Stat. § 13-1612: and
- 2. Increase the program area and the proximity of nearby retailers from those within 600 yards of an eligible sports complex to those within 1,500 yards. This increase is for sports complexes only, LB 919 does not increase the program area for projects that are sports arenas.

The revenue impact on the General Fund and Cash Funds are unknown and contingent upon future qualifying sports complex facility projects. Depending on the location of these projects and the nearby businesses, there is potential for a significant reduction in state sales tax revenue. For the current Kearney Sports Complex project, the increase of the proximity of nearby retailers to the program area from 600 yards to 1,500 would result in an additional \$2.75 million General Fund reduction per year. More projects are expected in future years, but the exact number is unknown at this time.

It is estimated that there will be minimal costs 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	22-23 <u>FTE</u>	23-24 <u>FTE</u>	24-25 <u>FTE</u>	22-23 Expenditures	23-24 Expenditures	24-25 Expenditures
Operating Costs							
	s						
Total					· · · · · · · · · · · · · · · · · · ·		

LB ⁽¹⁾ 919			FISCAL NOTE
State Agency OR Political Subdivision Name: (2	State Treasurer		
Prepared by: (3) Jason Walters	Date Prepared: (4)	January 19, 2022	Phone: (5) 402-471-2793
ESTIMATE PRO	<u>VIDED BY STATE AGEN</u>	NCY OR POLITICAL S	SUBDIVISION
F	Y 2022-2 <u>3</u>		FY 2023-24
<u>EXPENDITURE</u>		EXPENDITUR	·
GENERAL FUNDS			<u> </u>
CASH FUNDS			
FEDERAL FUNDS		-	
OTHER FUNDS	_	-	
TOTAL FUNDS	<u> </u>	_	
TOTAL FUNDS			
Explanation of Estimate:			
BREAKDO Personal Services:	WN BY MAJOR OBJECT	TS OF EXPENDITURI	<u> </u>
	NUMBER OF POSITION	S 2022-23	2023-24
POSITION TITLE	<u>22-23</u> <u>23-24</u>	EXPENDITUR	<u>EXPENDITURES</u>
·		-	
Benefits			
Operating			
Travel			
Capital outlay			
Aid			
Capital improvements			
TOTAL			