PREPARED BY: DATE PREPARED: PHONE: John Wiemer January 21, 2025 402-471-0051

LB 194

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)							
	FY 2025-26		FY 20	26-27			
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE			
GENERAL FUNDS							
CASH FUNDS							
FEDERAL FUNDS							
OTHER FUNDS							
TOTAL FUNDS		See Below		See Below			

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

LB 1177 would make changes to documentary stamp tax exemptions. The documentary stamp tax is at a rate of \$2.25 per \$1,000 of value, or fraction thereof. The tax is distributed in the following manner: \$0.50 to county general funds, \$0.95 to the Affordable Housing Trust Fund, \$0.25 to the Site and Building Development Fund., \$0.25 to the Homeless Shelter Assistance Trust Fund, and \$0.30 to the Behavioral Health Service Fund.

The bill would add to the exemption listed in what would be section 76-902(5)(a) that in determining family members under that subdivision, step relationships would be considered the same as blood relationships. The bill also adds in what would be section 76-902(5)(b) that the exemptions set forth in subdivision (5)(a) of section 76-902 would apply to deeds transferring property to a corporation that is wholly owned by a single shareholder, or to a limited liability company that is wholly owned by a single member in specified situations.

The Department of Revenue estimates no fiscal impact to General Fund revenues as a result of this bill. There is no basis to disagree.

The exemption for step family relationships is estimated to decrease documentary stamp tax revenue while the addition of what would be section 76-902(5)(b) is estimated to increase documentary stamp tax revenue so an indeterminate revenue impact to the above local and state funds included in the \$2.25 documentary stamp tax distribution is estimated. There are no costs estimated to the state as a result of this bill.

LB: 194	AM:	AGENCY/POLT. SUB: Dep	partment of Economic Development
REVIEWED B	Y: Ryan Yang	DATE: 1/16/2025	PHONE: (402) 471-4178

ADMIN	NISTRATIVE SERV	ICES STATE BUDGET DIVISION: RE	VIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 194	AM:	AGENCY/POLT. SUB: Departn	nent of Health and Human Services		
REVIEWED B	Y: Ryan Yang	DATE: 1/17/2025	PHONE: (402) 471-4178		
COMMENTS: No basis to disagree with the Department of Health and Human Services assessment of indeterminate fiscal impact from LB 194.					

ADMIN	IISTRATIVE SERVIC	ES STATE BUDGET DIVISION: REVIE	EW OF AGENCY & POLT. SUB. RESPONSE		
LB: 194	AM:	AGENCY/POLT. SUB: Lar	ncaster County Assessor/Register of Deeds		
REVIEWED I	BY: Ryan Yang	DATE: 1/15/2025	PHONE: (402) 471-4178		
COMMENTS: No basis to disagree with the Lancaster County Assessor/Register of Deeds assessment of no fiscal impact from LB 194.					

ADMIN	IISTRATIVE SERVICI	ES STATE BUDGET DIVISION: REVIE	EW OF AGENCY & POLT. SUB. RESPONSE	
LB: 194 AM: AGENCY/POLT. SUB: Department of Revenue				
REVIEWED E	BY: Ryan Yang	DATE: 1/17/2025	PHONE: (402) 471-4178	
COMMENTS: No basis to disagree with the Department of Revenue assessment of fiscal impact from LB 194.				

FISCAL NOTE

LB(1) 194

State Agency OR Political Subdivisi	on Name: (2) Nebras	ka Departmen	t of Economic	Developm	nent
Prepared by: (3) Dave Dearmo	ont Date 1	Prepared: (4) 1/1	5/2025	Phone: (5)	(402) 471-3777
ESTIMA	TE PROVIDED BY ST	TATE AGENCY	OR POLITICAL	SUBDIVISIO	ON
	FY 2025-26			FY 2026	
EXPE	·	<u>REVENUE</u>	EXPENDITU		REVENUE
GENERAL FUNDS					
CASH FUNDS					
FEDERAL FUNDS					
OTHER FUNDS					
TOTAL FUNDS					
Explanation of Estimate:					
LB194 would re-define an exe	mption to the Docum	nentary Stamp T	ax.		
The bill would only impact the Stamp Tax receipts. Of the \$2 Housing Cash Fund, and \$0.2 The provisions of LB194 would	.25 tax per \$1,000 of 5 of the tax is dedica	value, \$0.95 is ted to the Site a	dedicated to thand Building De	ne Nebrask	a Affordable
<u>B1</u>	REAKDOWN BY MAJ	OR OBJECTS O	EXPENDITUR	<u>RE</u>	_
Personal Services:	**********	E DOCUMENTO NO			
POSITION TITLE	NUMBER O <u>25-26</u>	F POSITIONS 26-27	2025-26 <u>EXPENDITU</u>		2026-27 EXPENDITURES
Benefits					
Operating					
Travel					
Capital outlay					
Aid					
Capital improvements					
TOTAL					

LB ⁽¹⁾ 194					FISCAL NOTE
State Agency OR Political Subdivision Name:	Nebrask	a Associatio	n of County	Officials	
Prepared by: (3) Elaine Menzel	Date P	repared: ⁽⁴⁾ 1/	/15/2025	Phone: (5)	402.434.5660
ESTIMATE PRO	OVIDED BY ST	TATE AGENCY	OR POLITIC	CAL SUBDIVIS	SION
<u>I</u> EXPENDITUR	FY 2025-26 RES R	<u>EVENUE</u>	EXPENDI	<u>FY 2026</u> TURES	<u>-27</u> <u>REVENUE</u>
GENERAL FUNDS					
CASH FUNDS					
FEDERAL FUNDS					
OTHER FUNDS					
TOTAL FUNDS					
Explanation of Estimate:					
LB 194 would clarify documentary state a minimal or no fiscal impact as a res	ult of such ch	anges, if enac	ted.	•	re is expected to be
Personal Services:	OWN BY MAJ	OR OBJECTS (JF EXPENDI.	IURE	
POSITION TITLE	NUMBER OF <u>25-26</u>	POSITIONS <u>26-27</u>	2025- <u>EXPENDI</u>		2026-27 EXPENDITURES
Benefits					
Operating					
Travel			-		
Capital outlay					
Aid					
Capital improvements					
TOTAL					

LB 0194 Fiscal Note 2025

State Agency Estimate						
State Agency Name: Department of	f Revenue				Date Due LFO:	
Approved by: James R. Kamm		Date Prepared:	01/16/2025		Phone: 471-5896	
	FY 2025	5-202 <u>6</u>	FY 2020	<u>5-2027</u>	FY 2027	7-202 <u>8</u>
	<u>Expenditures</u>	Revenue	Expenditures	Revenue	<u>Expenditures</u>	Revenue
General Funds		\$ 0		\$ 0		\$ 0
Cash Funds						
Federal Funds						
Other Funds						
Total Funds		\$ 0		\$ 0		\$ 0

LB 194 adds that in determining members of the same family, step relationships are considered the same as blood relationships. LB 194 also adds that the above exception applies to deeds transferring property to a corporation that is wholly owned by a single shareholder, or to a limited liability company that is wholly owned by a single member, in any of the following situations:

- 1) The grantor is the same person as the single owner of such wholly owned corporation or limited liability company;
- 2) The grantors are spouses transferring property to a corporation or limited liability company wholly owned by one of the spouses; or
- 3) The grantors are members of a family transferring property to a corporation or limited liability company wholly owned by one of the members of such family.

It is estimated that this bill will have no impact on General Fund revenues.

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

Major Objects of Expenditure							
Class Code	Classification Title	25-26 <u>FTE</u>	26-27 <u>FTE</u>	27-28 <u>FTE</u>	25-26 Expenditures	26-27 Expenditures	27-28 Expenditures
Benefits				<u> </u>			
Operating Costs	Operating Costs.						
Travel							
Capital Improvemen	Capital Improvements.						
Total		•••••	• • • • • • • • • • • • • • • • • • • •				

LB₍₁₎ 194 FISCAL NOTE 2025

	ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION						
State Agency or Political Su	bdivision Name:(2) Depart	tment of Health and Humar	n Services				
Prepared by: (3) John Meals	Date Prepar	red 1-16-25	Phone: (5) 471-6719				
	FY 2025-	2026	FY 2026-2027				
_	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE			
GENERAL FUNDS							
CASH FUNDS							
FEDERAL FUNDS			-				
OTHER FUNDS							
TOTAL FUNDS	\$0	\$0	\$0	\$0			
=							
Return by date specified or 72 h	ours prior to public hearing, v	vhichever is earlier.					

Explanation of Estimate:

The Division of Behavioral Health receives stamp tax revenue to support the Health Housing Aid program. LB194 could result in an indeterminable change in revenue to this cash fund. If the impact is substantive, an increase in cash spending authority would be required to spend the revenue.

MAJOR OBJECTS OF EXPENDITURE					
PERSONAL SERVICES:					
	NUMBER OF		2025-2026	2026-2027	
POSITION TITLE	25-26	26-27	EXPENDITURES	EXPENDITURES	
Benefits					
Operating					
Travel					
Capital Outlay					
Aid				-	
Capital Improvements					
TOTAL			\$0	\$0	

LB ⁽¹⁾ 194				FISCAL NOTE			
State Agency OR	Political Subdivision Name: (2	Lancaster County	Lancaster County Assessor/Register of Deeds				
Prepared by: (3)	Dan Nolte	Date Prepared: (4)	01/15/25 P	hone: (5) 402-441-7463			
	ESTIMATE PRO	VIDED BY STATE AGEN	NCY OR POLITICAL SU	JBDIVISION			
	<u>EXPENDITURE</u>	<u>Y 2025-26</u> <u>CS REVENUE</u>	<u>EXPENDITURE</u>	<u>FY 2026-27</u> <u>S REVENUE</u>			
GENERAL FUN	IDS						
CASH FUNDS							
FEDERAL FUN	DS	_	_				
OTHER FUNDS			-				
TOTAL FUNDS		_	_				
TOTAL FUNDS			<u> </u>				
Personal Service		WN BY MAJOR OBJECT	<u> CS OF EXPENDITURE</u>				
		NUMBER OF POSITION 25-26 26-27	S 2025-26 EXPENDITURE	2026-27 EXPENDITURES			
Renefits				_			
				_			
			-				
Capital improve	ments			_			
TOTAL							