

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2013-14		FY 2014-15	
	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 348 amends Nebraska Revised Statutes; Section 77-1333, regarding assessment of rent-restricted housing projects.

The bill would change statute to require the county assessor to utilize an income-approach calculation when determining the assessed valuation of rent-restricted housing projects.

The county assessor is also required to use a capitalization rate provided by the Nebraska Investment Finance Authority (NIFA) when using the income-approach calculation. NIFA is to determine the capitalization rate on an annual basis and provide it to county assessors.

In addition, the bill strikes language that currently allows the assessor to use other professionally accepted mass appraisal methods when determining the actual value of this type of property.

There is no fiscal impact to the state as a result of LB 348.

The Department of Revenue indicates no cost to the Department to implement the bill.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 348	AM:	AGENCY/POLT. SUB: Nebraska Assoc. of County Officials (NACO)	
REVIEWED BY: Lyn Heaton		DATE: 2/25/2013	PHONE: 402.471.4181
COMMENTS: No basis upon which to disagree with NACO's analysis. It should be noted that, to the extent that the bill results in a change in the valuation of the affected properties, it would have an impact on the amount of General Funds needed for state aid to schools under the Tax Equity and Educational Opportunities Support Act (TEEOSA).			

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 348	AM:	AGENCY/POLT. SUB: Dept. of Revenue	
REVIEWED BY: Lyn Heaton		DATE: 2/25/2013	PHONE: 402.471.4181
COMMENTS: Concur. No fiscal impact to the Dept. of Revenue.			

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 348	AM:	AGENCY/POLT. SUB: Nebraska Investment Finance Authority (NIFA)	
REVIEWED BY: Lyn Heaton		DATE:	PHONE: 402.471.4181
COMMENTS: It is anticipated that the determination of a capitalization rate by NIFA staff will require a relatively minimal amount of staff time, assuming the necessary data is readily obtained.			

Please complete ALL (5) blanks in the first three lines.

2013

LB⁽¹⁾ 348 FISCAL NOTE

State Agency OR Political Subdivision Name: (2) Nebraska Association of County Officials (NACO)

Prepared by: (3) Elaine Menzel Date Prepared: (4) 1/23/2013 Phone: (5) 402.434.5660, ext. 225

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2013-14</u>		<u>FY 2014-15</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

LB 348 would require county assessors to utilize the capitalization rate provided by the Nebraska Investment Authority (NIFA) when utilizing the income-approach calculation for determining an assessed value of rent-restricted housing projects constructed to allow an allocation of low-income housing tax credits under Section 42 of the Internal Revenue Code and approved by NIFA. The fiscal impact to counties is unknown and potentially differs in counties with properties of this nature.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2013-14</u>	<u>2014-15</u>
	<u>13-14</u>	<u>14-15</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>

Please complete ALL (5) blanks in the first three lines.

2013

LB⁽¹⁾ 348 FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Investment Finance Authority (not a state agency or political subdivision but rather an independent instrumentality created by Nebraska law)

Prepared by: ⁽³⁾ Christie Weston Date Prepared: ⁽⁴⁾ 1-28-13 Phone: ⁽⁵⁾ 402-434-3912

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2013-14		FY 2014-15	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	5,000	0	5,000	0
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	5,000	0	5,000	0

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate: NIFA estimates that the determination of a capitalization rate will annually require 100 hours of staff time, together with expenses, not to exceed in the aggregate \$5,000. NIFA currently collects an annual compliance monitoring fee from the owners of the low-income housing tax credit developments (the projects which would be subject to LB 348) and does not, at this time, anticipate charging an additional fee to determine the capitalization rate. Accordingly, we have put "\$0" in the line item for REVENUE.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2013-14	2014-15
	13-14	14-15	EXPENDITURES	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				