PREPARED BY: DATE PREPARED: PHONE: Doug Gibbs January 06, 2016 402-471-0051

**LB 428** 

Revision: 02

Updated for the 2016 Legislative Session and includes any amendments adopted to date.

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)							
	FY 2016-17 FY 2017-18						
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE			
GENERAL FUNDS	\$570,000		\$889,000				
CASH FUNDS							
FEDERAL FUNDS							
OTHER FUNDS		(\$570,000)		(\$889,000)			
TOTAL FUNDS	\$570,000	(\$570,000)	\$889,000	(\$889,000)			

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

LB 428 amends Nebraska Revised Statutes Section 60-3,185 to provide an additional exemption from the motor vehicle registration fee.

The bill exempts from the motor vehicle tax, one motor vehicle owned and used for his or her personal transportation by a veteran of the U.S. Armed Forces who is classified as 100% service-connected or one motor vehicle owned and used by the unremarried surviving spouse of such a veteran.

LB 428 amends Section 60-3,189 to provide requirements for the application for the above exemption by a 100% service-connected disabled veteran.

This same section is also amended to provide for reimbursement by the state to the counties for any loss of revenue connected with this exemption.

The Department of Revenue estimates, assuming an operative date of October 1, 2016, the following fiscal impact:

Fiscal Year:	Motor Vehicle Fee Fund:	General Fund:	
2016-17:	(\$ 570,000)	(\$ 570,000)	
2017-18:	(\$ 889,000)	(\$ 889,000)	
2018-19:	(\$ 922,000)	(\$ 922,000)	

The Department of Revenue indicates the cost to implement the provisions of LB 428 will be minimal.

We have no basis to disagree with the Department of Revenue's estimate of fiscal impact and cost.

LB 428 Fiscal Note 2016

		State Agency	Estimate			
State Agency Name: Departmen	t of Revenue				Date Due LFA:	12/02/2015
Approved by: Len Sloup		Date Prepared:	11/25/2015		Phone: 471-5896	
	FY 2016-	2017	FY 2017	<u>'-2018</u>	FY 201	8-2019
	Expenditures	Revenue	Expenditures	Revenue	<b>Expenditures</b>	Revenue
General Funds	\$570,000		\$889,000		\$922,000	
Cash Funds						
Federal Funds						
Other Funds		(\$570,000)		(\$889,000)		(\$922,000)
Total Funds	\$570,000	(\$570,000)	\$889,000	(\$889,000)	\$922,000	(\$922,000)
	<u> </u>					

LB 428 exempts motor vehicles owned and used by honorably discharged disabled veterans or surviving spouses from motor vehicle registration fees if the vehicle is for his or her personal transportation.

Assuming an operative date of October 1, 2016, it is estimated that there will be a reduction to the Motor Vehicle Fee Fund of \$0.570 million, \$0.889 million, and \$0.922 million in FY 2016-17, FY 2017-18, and FY 2018-19, respectively. There will also be a minimal reduction in collection cost reimbursements to each county.

On or before December 31 of each year, each county treasurer must certify to the Tax Commissioner the total motor vehicle tax revenue foregone under the exemption. On or before January 15, the Tax Commissioner must certify the amount foregone to the Director of Administrative Services for purposes of transferring funds from the General Fund to reimburse the counties for the lost revenue associated with the exemption.

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

Major Objects of Expenditure							
Class Code	Classification Title	16-17 <u>FTE</u>	17-18 <u>FTE</u>	18-19 <u>FTE</u>	16-17 <u>Expenditures</u>	17-18 Expenditures	18-19 <u>Expenditures</u>
Benefits							
Operating Costs							
Travel							
Capital Outlay							
Aid							
Capital Improvemen	nts						

## NEBRASKA DEPARTMENT OF MOTOR VEHICLES

Prepared by: Gary I	Ryken D	ate Prepared:	30-Nov-15	Phone: 471-3902	Fax: 471-3920
				Email: gary.ryken@neb	raska.gov
	ESTIMATE PRO	VIDED BY STATE	AGENCY OR POLITIC	CAL SUBDIVISION	
	FY 2	2016-2017		FY 2017-2	018
	EXPENDITURES	REVENUE		EXPENDITURES	REVENUE
GENERAL FUNDS			_		
CASH FUNDS		<u></u>	_		
FEDERAL FUNDS			=		
OTHER FUNDS			=		
TOTAL FUNDS	\$ -	\$ -	=	\$ -	\$ -
			_		-

Explanation of Estimate:

No fiscal impact is anticipated.

		MAJOR OBJECT	TS OF EXPENDITU	JRE			
	NUMBER OF POSITIONS					FY 2017	<u>'-2018</u>
	POSITION TITLE	<u>16-17</u>	<u>17-18</u>	EXPEND	<u>ITURES</u>	<b>EXPENDI</b>	TURES
						-	
Benefits				·····			
Operating							
Travel							
Capital Outlay							
Aid							
Capital Improv	rements						
	Total			<b>e</b>		· ·	

**FISCAL NOTE** 

**LB**<sup>(1)</sup> 428 (2015)

State Agency OR Political Subdivision Name: (2)		Department of Roads					
Prepared by: (3)	Becky Flem	ing	Date Prepared:	11/30/15	Phone: (5)	402-479-4692	
	ES.	TIMATE PROVID	- DED BY STATE A	GENCY OR POLIT	 ICAL SUBDIVIS	SION	
		FY 20°	<u>16-17</u>		FY 2017-		
GENERAL FUNI		<u>ENDITURES</u>	REVENUE	EXPEND	<u>ITURES</u>	REVENUE	
CASH FUNDS							
FEDERAL FUND							
OTHER FUNDS							
TOTAL FUNDS							
from motor vehic application subm treasurer shall, o will be lost due to	le taxation and itted by the very nor before Depth the exemption	d for the political eteran or the unmecember 31 of each on. The county was ment is anticipate	subdivision to be narried surviving spach year, certified will be reimbursed to the Departmen	reimbursed. Upon pouse, one motor verto the Tax Commiss from general funds fat does not receive a	approval by the ehicle will be exectioner the total mathematical mathematical from the end of the e	notor vehicle fees that tated.	
Personal Service	es:	BREAKDOWN	BY MAJOR OBJE	ECTS OF EXPEND	TURE		
	ION TITLE		BER OF POSITIO -17 17-1			2017-18 EXPENDITURES	
Benefits							
 Operating							
 Travel							
Capital							
outlay							
Aid							
Capital							
improvements TOTAL							