PREPARED BY: DATE PREPARED: PHONE: Doug Gibbs February 03, 2016 402-471-0051

LB 774

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT - STATE AGENCIES (See narrative for political subdivision estimates)							
	FY 201	FY 2016-17 FY 2017-18					
	EXPENDITURES	REVENUE	EXPENDITURES REVENUE				
GENERAL FUNDS		(\$287,000)		(\$452,000)			
CASH FUNDS		(\$10,000)		(\$18,000)			
FEDERAL FUNDS							
OTHER FUNDS							
TOTAL FUNDS		(\$297,000)		(\$470,000)			

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

LB 774 amends the Nebraska Revenue Act of 1967, Section 77-2704.12, to provide a sales and use tax exemption for nonprofit substance abuse treatment centers licensed under the Health Care Facility Act.

The bill has an operative date of October 1, 2016.

The Department of Revenue estimates the following fiscal impact of LB 774:

		State Highway Capital	Highway Allocation	Fund
Fiscal Year:	General Fund:	Improvement Fund:	(Local):	Total:
2016-17:	(\$ 287,000)	(\$ 10,000)	(\$ 2,000)	(\$ 299,000)
2017-18:	(\$ 452,000)	(\$ 18,000)	(\$ 3,000)	(\$ 473,000)
2018-19:	(\$ 475,000)	(\$ 19,000)	(\$ 3,000)	(\$ 497,000)

The Department indicates the cost to implement the provisions of LB 774 are expected to be minimal.

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

IMPACT TO POLITICAL SUBDIVISIONS:

We estimate the following fiscal impact to the Highway Allocation Fund:

FY2016-17: (\$ 2,000) FY2017-18: (\$ 3,000) FY2018-19: (\$ 3,000)

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES						
LB: 774 AM: AGENCY/POLT. SUB: Dept. of Health and Human Services						
REVIEWED BY: Lyn Heaton DATE: 2/2/2016 PHONE: 471-4181						
COMMENTS: Concur. No fiscal impact to DHHS.						

· · · · · · · · · · · · · · · · · · ·	FOTIMATE PROVIDE	ED DV STATE ACENSY O	D DOLUTION O	HIPDIVICION		
State Agency or Political	Subdivision Name:(2) Depar	ED BY STATE AGENCY Of tment of Health and Hun		OBDIVISION		
Prepared by: (3) Pat Weber	Date Prepare	ed:(4) 1-15-16		Phone:	(5) 471-6351	
	FY 2016-2	2017		FY 2017-201	<u>8</u>	
	EXPENDITURES	REVENUE	EXPE	NDITURES	REVENUE	
GENERAL FUNDS	\$0	\$0		\$0		
CASH FUNDS						
FEDERAL FUNDS			-			
OTHER FUNDS			-			
TOTAL FUNDS	\$0	\$0		\$0	\$0	
There is no Fiscal Im	pact to the Department	of Health and Huma	an Services			
	MA	JOR OBJECTS OF EXPEND	ITURE			
PERSONAL SERVICES:	POSITION TITLE	NUMBER O 16-17	F POSITIONS 17-18	2016-2017 EXPENDITURES	2017-2018 EXPENDITURES	
Benefits						
I ravel						

TOTAL

\$0

\$0

LB 774 Fiscal Note 2016

		State Agency	Estimate			
State Agency Name: Department	of Revenue				Date Due LFA:	2/3/2016
Approved by: Tony Fulton		Date Prepared:	1/29/2016		Phone: 471-5896	
	FY 2016	5-2017	FY 201	7-2018	FY 20	18-2019
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue
General Funds		(\$287,000)		(\$452,000)		(\$475,000)
Cash Funds		(\$10,000)		(\$18,000)		(\$19,000)
Federal Funds						
Other Funds		(\$2,000)		(\$3,000)		(\$3,000)
Total Funds		(\$299,000)		(\$473,000)		(\$497,000)
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LB 774 would amend Neb. Rev. Stat. § 77-2704.12 to add substance abuse centers licensed under the Health Care Facility Licensure Act to the list of nonprofit health care facilities that are exempt from sales and use taxes on their purchases. The bill would be operative October 1, 2016.

It is estimated that LB 774 would reduce revenue to the funds below by the following amounts:

Fiscal Year	General Fund	State Highway	Highway Allocation	Total
		Capital Fund		
		Improvement Fund		
2016-17	\$287,000	\$10,000	\$2,000	\$299,000
2017-18	\$452,000	\$18,000	\$3,000	\$473,000
2018-19	\$475,000	\$19,000	\$3,000	\$497,000

Departmental cost to implement the bill is expected to be minimal.

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>	
D								
Operating Costs								
Travel								
Capital Outlay	Capital Outlay							
Capital Improvements.								
Total								