

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2017-18</b>		<b>FY 2018-19</b>	
	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 161 amends Nebraska Revised Statutes Sections 77-5726 and 77-5735 regarding the Nebraska Advantage Act.

Section 77-5726 (1)(e) allows credits to be carried over until fully utilized but also limits the number of years that the credit may be carried over depending on which Tier the project is in. This section is amended to change the credit carry over period for a Tier 6 project from the current one year past the end of the entitlement period to twenty years past the end of the entitlement period.

Section 77-5735 is amended to provide that the change in credit carryover for a Tier 6 project is to apply to all applications filed before, on, or after the effective date of LB 161.

The Department of Revenue estimates the following impact to the General Fund as a result of LB 161:

FY2017-18:	\$	0
FY2018-19:	\$	0
FY2019-20:	\$	0
FY2020-21:	\$	0
FY2021-22:	\$	0
FY2022-23:	\$	0
FY2023-24:	(\$ 1,800,000)	
FY2024-25:	(\$ 1,890,000)	

The Department of Revenue indicates no cost to implement the provisions of LB 161.

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

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB:161	AM:	AGENCY/POLT. SUB: Department of Revenue	
REVIEWED BY: Lyn Heaton	DATE: 1/23/2017	PHONE: <a href="tel:4024714181">(402) 471-4181</a>	
COMMENTS: No basis upon which to disagree with the Dept. of Revenue's analysis.			

**State Agency Estimate**

State Agency Name: Department of Revenue

Date Due LFA: 1/23/2017

Approved by: Tony Fulton

Date Prepared: 1/20/2017

Phone: 471-5896

	<u>FY 2017-2018</u>		<u>FY 2018-2019</u>		<u>FY 2019-2020</u>	
	<u>Expenditures</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Revenue</u>
General Funds		\$0		\$0		\$0
Cash Funds						
Federal Funds						
Other Funds						
<b>Total Funds</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>

LB 161 increases the carryover period under the Nebraska Advantage Act for credits earned by a Tier 6 project to twenty years past the end of the entitlement period. The carryover period for a Tier 6 project is currently one year past the end of the entitlement period. The increase is to apply retroactively.

The operative date is three months after session adjourns.

It is estimated that LB 161 would have the following decrease to the General Fund revenues:

<u>Fiscal Year</u>	<u>General Fund Revenues</u>
2016-17	\$ -
2017-18	\$ -
2018-19	\$ -
2019-20	\$ -
2020-21	\$ -
2021-22	\$ -
2022-23	\$ -
2023-24	\$ 1,800,000
2024-25	\$ 1,890,000

It is estimated that there will be no cost to the Department to implement this bill.

**Major Objects of Expenditure**

<u>Class Code</u>	<u>Classification Title</u>	<u>17-18</u>	<u>18-19</u>	<u>19-20</u>	<u>17-18</u>	<u>18-19</u>	<u>19-20</u>
		<u>FTE</u>	<u>FTE</u>	<u>FTE</u>	<u>Expenditures</u>	<u>Expenditures</u>	<u>Expenditures</u>
	Benefits.....						
	Operating Costs.....						
	Travel.....						
	Capital Outlay.....						
	Aid.....						
	Capital Improvements.....						
	<b>Total.....</b>						