LB 1056

Revision: 02 FISCAL NOTE LEGISLATIVE FISCAL ANALYST ESTIMATE

Revised due to adoption of amendments on General File

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)						
	FY 202	0-21	FY 2021-22			
	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 1056 amends the Nebraska Liquor Control Act related to licensees.

The bill allows a farm winery, retail, bottle club, craft brewery, or microdistillery licensee to apply to the county, city, or village for temporary expansion of the licensed premises to (1) an immediately adjacent area owned or leased by the licensee or (2) an immediately adjacent street, parking lot, or alley, for up to 15 days per calendar year. The area must meet certain requirements.

The licensee must apply, and the application must contain certain information. The local governing body must approve the expansion, and can establish criteria for approving or denying a temporary expansion. The decision of the local governing body is final, and confirmation must be delivered to the licensee upon receipt of any fee or tax imposed. The county, city, or village must electronically notify the Nebraska Liquor Control Commission within 5 days of authorization of any expansion.

As amended on General File, the bill also includes the provisions of LB980. LB 980 amends provisions of the Nebraska Lottery and Raffle Act to: 1) Allow special permits to be valid for 1 year instead of 3 months; 2) Eliminate a provision limiting a special permit for licensed organization to one per calendar year; 3) Require tax due under the act to be remitted by September annually, rather than on a quarterly basis; and 4) Allow online sales and debit card sales of tickets or stubs by the licensed organization.

Revenue:

The Nebraska Liquor Control Commission estimates no impact to General Fund revenue. The Department of Revenue estimates no impact to General Fund revenue. There is no basis to disagree with these estimates.

Expenditures:

The commission previously estimated a one-time expenditure of \$3,000 for mainframe updates to include the temporary expansion information for licensed premises. However, because the commission is currently required to undertake similar mainframe updates during FY20-21, the commission estimates any updates required for LB1056 can be done with existing resources, thereby eliminating need for any additional appropriation. Any additional administrative responsibilities related to processing approved applications will be addressed by existing commission staff.

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

There is no basis to disagree with these estimates.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE						
LB: 1056	AM: 2595 and AM 3001	AGENCY/POLT. SUB: Neb	raska Liquor Control Commission (035)			
REVIEWED B	Y: Joe Wilcox	DATE: 7/24/2020 PHONE: (402) 471-4178				
COMMENTS: No basis to dispute the Nebraska Liquor Control Commission (NLCC) revised estimate of No Fiscal Impact to the Agency from LB 1056, as amended by the General Affairs Committee Amendment – AM 2595 and Senator Briese's AM 3001.						

Please complete <u>ALL</u> (5) blanks in the first three lines.

LB ⁽¹⁾ 1056, AN	12595 & AM3	001		FISCAL NOTE
State Agency OR Political	Subdivision Name: ⁽²⁾	Liquor Control Cor	nmission	
Prepared by: ⁽³⁾ LeAn	na Prange	Date Prepared: ⁽⁴⁾	7/23/20 Phon	e: (5) 402-471-4892
	ESTIMATE PROVI	DED BY STATE AGEN	ICY OR POLITICAL SUBD	IVISION
<u>FY 2</u> EXPENDITURES		<u>2020-21</u> <u>REVENUE</u>	<u>EXPENDITURES</u>	<u>2021-22</u> <u>REVENUE</u>
GENERAL FUNDS	0	0	0	0
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	0	0	0	0

Explanation of Estimate:

NLCC is eliminating an expenditure to edit existing mainframe to document the dates and description of the temporary expansion of licensed premises, or to create a system to do the same. NLCC would utilize existing budget and staff to process or document these temporary expansions approved by local governing bodies so enforcement personnel (such as State Patrol) can identify them if complaints or issues arise. There would be no additional expenses for subsequent years. There would be no revenue expected.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE							
Personal Services:							
POSITION TITLE	NUMBER OF POSITIONS <u>20-21</u> <u>21-22</u>		2020-21 <u>EXPENDITURES</u>	2021-22 <u>EXPENDITURES</u>			
Benefits							
Operating			0	0			
Travel			0	0			
Capital outlay			0	0			
Aid			0	0			
Capital improvements			0	0			
TOTAL			0	0			

2020

LB 1056 AM 2595 AM 3001

Fiscal Note 2020

State Agency Estimate						
State Agency Name: Department of Revenue Date Due LFA:						
Approved by: Tony Fulton	Date Prepared: Phone: 471-5896					
	FY 202	0-2021	FY 202	1-2022	FY 202	2-2023
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue
General Funds		\$0		\$0		\$0
Cash Funds						
Federal Funds						
Other Funds						
Total Funds		\$0		\$0		\$0

AM 2595 amends the Lottery and Raffle Act. First, it provides that special permits, which currently are limited to one three-month period per calendar year, would now be valid for one year. Second, it changes the frequency of tax payments by organizations from quarterly to annually by September 30. Finally, it would allow for tickets to be sold online and also allow for purchase by credit and debit card online and in-person.

AM 3001 modifies the language regarding methods of payments to include, "in addition to other authorized methods of payment."

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

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

Major Objects of Expenditure								
		20-21	21-22	22-23	20-21	21-22	22-23	
Class Code	Classification Title	<u>FTE</u>	<u>FTE</u>	<u>FTE</u>	Expenditures	Expenditures	Expenditures	
Benefits	Benefits							
Operating Costs	Operating Costs							
Travel								
Capital Outlay								
Capital Improvements								
Total								