

Revised to include revised agency response

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2020-21		FY 2021-22	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		See below		See below
CASH FUNDS		See below		See below
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		See below		See below

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

LB 923 amends the Revenue Act of 1967 to exclude gross income received by an electric cooperative or an electric membership association for the lease or use of, or by a contractor for the construction of or services provided on, electric generation, transmission, distribution, or street lighting or facilities owned by the cooperative or electric membership association from the definition of gross receipts.

The bill is operative July 1, 2020.

Revenue:

The Department of Revenue estimates revenue to the General Fund, the State Highway Capital Improvement Fund, and the Highway Allocation Fund as follows:

Fiscal Year	General Fund	State Highway Capital Improvement Fund	Highway Allocation Fund
2020-2021	(\$183,000)	(\$7,000)	(\$1,000)
2021-2022	(\$189,000)	(\$8,000)	(\$1,000)
2022-2023	(\$203,000)	(\$8,000)	(\$1,000)
2023-2024	(\$213,000)	(\$9,000)	(\$2,000)

Similarly to Laws 2019, LB 218, this bill proposes to exclude certain charges from sales tax, which has not been previously collected. As such, while the department’s estimate of revenue loss represents an obligation, as determined by the department, the fiscal impact is potential foregone revenue. We have no basis to disagree with the department’s estimate of this obligation. However, we determine that the specific amount is not included in the current revenue forecast and not shown as a specific General Fund or Cash Fund revenue loss.

Expenditures:

The department estimates no cost to implement the bill. There is no basis to disagree with this estimate.

