PREPARED BY: DATE PREPARED: PHONE: Samuel Malson January 08, 2021 402-471-0051

**LB 156** 

Revision: 00

## **FISCAL NOTE**

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT - STATE AGENCIES (See narrative for political subdivision estimates)							
	FY 2021-22		FY 2022-23				
_	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.

LB156 Establishes the Municipal Inland Port Authority Act. The bill details the powers and duties of a Municipal Inland Port Authority as well as the processes and requirements related to establishing and operating an authority. Provisions of the bill may have a fiscal impact in the event a Municipal Port Authority is established and exercises its power to levy a sales and use tax or issue and sell revenue bonds. However, there is not direct fiscal impact at the state level or for political subdivisions, as the act is permissive.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE						
LB:	156 AM: AGENCY/POLT. SUB: Department of Revenue					
RE'	/IEWED BY:	Jacob Leaver	DATE:	1/28/2021	PHONE: (402) 471-4173	
COMMENTS: No basis to disagree with the Department of Revenue's estimate of no fiscal impact to the agency as a result of LB 156.						

LB 156 Fiscal Note 2021

State Agency Estimate							
State Agency Name: Department	of Revenue				Date Due LFO:		
Approved by: Tony Fulton Date Prepared		Date Prepared:	1/28/2021 Phone: 471-5896				
	FY 2021	FY 2021-2022		FY 2022-2023		FY 2023-2024	
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue	
General Funds		\$ 0		\$ 0		\$ 0	
Cash Funds							
Federal Funds							
Other Funds							
Total Funds		\$ 0		\$ 0		\$ 0	

LB 156 would establish the Municipal Inland Port Authority Act. The bill would allow inland port districts to be established in cities of the metropolitan, primary and first class. An inland port district is an area within one mile of a navigable river, one mile of a major railroad line, two miles of an interstate highway, or two miles of an airport with commercial service.

LB 156 allows a city to propose an inland port district and set the boundaries of the district. The city clerk then transmits the ordinance to Department of Economic Development. The agency would then certify to the city clerk whether the designation was within or exceeded a five district limitation provided in LB 156. If the limit of five has not been reached, the designation is approved. There is no separate determination as to whether or not the proposed district meets the definitional requirements set out in the bill.

Inland port authorities would be permitted to take the necessary actions to establish a foreign trade zone under federal law; acquire, sell, and lease property; and issue revenue bonds. In addition, the Inland Port Authority may levy a sales and use tax within the boundaries of the district. LB 156 does not specify or limit the rate or rates that could be levied, provide the notice to retailers that is required under the Streamlined Sales and Use Tax Agreement, or limit the adoption of a sales tax to quarterly operative dates. An inland port authority does not have the power of eminent domain. An inland port authority is exempt from all state and local taxes.

An inland port authority is to be governed by an elected board. The city that created the Inland Port Authority may dissolve it if there are no outstanding obligations.

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

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

Major Objects of Expenditure							
Class Code	Classification Title	21-22 <u>FTE</u>	22-23 <u>FTE</u>	23-24 <u>FTE</u>	21-22 Expenditures	22-23 Expenditures	23-24 Expenditures
Benefits							
Operating Costs	Operating Costs						
	Travel						
Capital Outlay							
Capital Improvements.							
Total	Total						