PREPARED BY: DATE PREPARED: PHONE: Austin Ligenza December 23, 2021 (402)471-0050

**LB 214** 

Revision: 01

## FISCAL NOTE

Revised for 2022 session

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT - STATE AGENCIES (See narrative for political subdivision estimates)						
	FY 2022-23		FY 2023-24			
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE		
GENERAL FUNDS	See below		See below			
CASH FUNDS						
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 214 changes various definitions relating to the valuation of property. It establishes recreational land as a new category, where the land is used for diversion, entertainment, and relaxation. Furthermore, LB 214 clarifies the structure of the provisions and defines wasteland as land without any economic use.

LB 214 adds a definition for primarily used for agricultural or horticultural purposes. Adjacency to commonly owned or managed agricultural or horticultural land is to be considered by the county assessor when determining primary use of small or mixed parcels. Whether some or all of the parcel is platted and subdivided into separate lots or includes streets, sidewalks, curbs, gutters, sewer lines, water lines, or utility lines is not to be considered when determining primary use.

LB 214 becomes operative 3 months after adjournment.

The Department of Revenue estimates that LB 214 could increase the value of agricultural and horticultural land. This would be due to a reduction in the agricultural and horticultural land qualifying for special valuation. This would influence the calculation for state aid under TEEOSA, which would then impact General Fund expenditures. The Fiscal Office agrees with this assessment.

The Department of Revenue expects no cost to the Department as a result of LB 214. There is no basis to disagree with this estimate.

The Lancaster County Assessor expects no fiscal impact as a result of LB 214. There is no basis to disagree with this estimate.

These estimates were provided in the 2021 session.

ADMINIS	STRATIVE SERVI	CES STATE BUDGET DIVISION: REVIEW OF	F AGENCY & POLT. SUB. RESPONSE		
LB: 214	AM:	AGENCY/POLT. SUB: Department o	f Revenue		
REVIEWED BY:	Lee Will	DATE: 02/9/2021	PHONE: (402) 471-4175		
COMMENTS: Concur with the Department of Revenue's assessment of fiscal impact.					

ADMINIS	STRATIVE SERV	ICES STATE BUDGET DIVISION: REVIEW OF A	AGENCY & POLT. SUB. RESPONSE		
LB: 214	AM:	AGENCY/POLT. SUB: Lancaster Coun	ty Assessor		
REVIEWED BY:	Lee Will	DATE: 01/19/2021	PHONE: (402) 471-4175		
COMMENTS: Concur with the Lancaster County Assessor's assessment of no fiscal impact.					

LB 214 Fiscal Note 2021

State Agency Estimate						
State Agency Name: Department of Revenue			Date Due LFA:			
Approved by: Tony Fulton		Date Prepared:	2/8/2021		Phone: 471-5896	
	FY 2021	1-2022	FY 2022-2023 FY 2023-2024			3-2024
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue
General Funds	1					
Cash Funds						
Federal Funds						
Other Funds						
Total Funds						

Section 1 of LB 214 amends Neb. Rev. Stat. § 77-101 to add the definition of recreational land for purposes of Chapter 77 and any statutes dealing with taxation, unless the context otherwise requires. .

Section 2 provides for the definition of recreational land, which means land predominantly used or intended to be used for diversion, entertainment, and relaxation.

Section 3 amends Neb. Rev. Stat. § 77-1359 to define primarily used to mean that the use of the land is mainly used for agricultural or horticultural purposes. When determining the primary use of small or mixed use parcels, the county assessor is to consider whether the parcel is lying in or adjacent to and in common ownership or management with other land used for agricultural or horticultural purposes. Whether a parcel of land is primarily used for agricultural or horticultural purposes is determined without regard to whether some or all of the parcel is platted and subdivided into separate lots or developed with improvements consisting of streets, sidewalks, curbs, gutters, sewer lines, water lines, or utility lines. Neb. Rev. Stat. § 77-1359 is also amended to define wasteland as land that cannot be used economically and is not suitable for agricultural or horticultural purposes.

LB 214 may increase the value of agricultural and horticultural land, so this bill may have an effect on TEEOSA, which will have a corresponding impact on General Fund expenditures.

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

The operative date for this bill is three months after adjournment.

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		<u> </u>					
Operating Costs			• • • • • • • • • • • • • • • • • • • •				
Travel.							
Capital Improvements	S					_	
Total							

LB <sup>(1)</sup> 214			FISCAL NOTE			
State Agency OR Political Subdivision Name:	Lancaster County	Lancaster County Assessor/ROD				
Prepared by: (3) Scott Gaines	Date Prepared: (4)		none: (5) 402-441-6580			
ESTIMATE PRO	VIDED BY STATE AGE	NCY OR POLITICAL SU	BDIVISION			
<u>E</u> XPENDITUR	<u>Y 2021-22</u> ES REVENUE	<u>EXPENDITURE</u>	FY 2022-23 S REVENUE			
	<u>KEVENCE</u>	EXIENDITORES	<u>KEVENCE</u>			
GENERAL FUNDS	<u> </u>	<u> </u>				
CASH FUNDS	<u> </u>					
FEDERAL FUNDS	<u> </u>	_	_			
OTHER FUNDS	<u> </u>		_			
TOTAL FUNDS	_					
<b>Explanation of Estimate:</b>						
No fiscal impact to the Lancaster Cour	nty Assessor's Office.					
	OWN BY MAJOR OBJECT	TS OF EXPENDITURE	-			
Personal Services:	NUMBER OF POSITION	S 0001 00	2022-23			
POSITION TITLE	21-22 22-23	S 2021-22 EXPENDITURE				
		_	_			
Benefits		_	_			
Operating		<del></del>				
Travel						
Capital outlay						
Aid						
Capital improvements						
TOTAL						