

Updated to reflect all amendments adopted to date

FISCAL NOTE
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 927 amends the Convention Center Facility Financing Assistance Act.

As amended (section references are relative to ER166), LB 927 defines “nearby parking facility” as any parking lot, parking garage, or other parking structure that is no directly connected to a convention and meeting center facility but is located in whole or in part, within 600 yards of such facility.

Section 2 allows any political subdivision to acquire, construct, improve, or equip nearby parking facilities with state assistance under the Act.

Section 3 increases from 600 yards to one thousand two hundred yards, the distance utilized for eligible facilities under the Convention Center Facilities Financing Assistance Act.

As amended by AM 2778, the Section 3 changes are stricken resulting in the current statutory distance of 600 yards being retained.

Section 4 amends section 13-2610 so the maximum approved amount for any one project is raised from seventy-five million dollars to one hundred fifty million dollars.

Section 7 amends the Sports Arena Facility Financing Assistance Act by defining “nearby parking facility” as any parking lot, parking garage, or other parking structure that is not directly connected to an eligible sports arena facility buy which is located, in whole or in part, within seven hundred yards of such facility.

Section 10 raises the maximum approved amount for an eligible sports arena facility from fifty million dollars to one hundred million dollars.

Based on all amendments adopted to date, the Department of Revenue estimates minimal costs to implement the provisions of LB 927.

The provisions redefining “nearby parking facility” result in an indeterminate General Fund revenue loss, and increasing the maximum approved amount from \$50 million to \$100 million will have a negative General Fund impact in future years.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 927 AM: 2023 AGENCY/POLT. SUB: Department of Revenue

REVIEWED BY: Neil Sullivan DATE: 4/6/2022 PHONE: (402) 471-4179

COMMENTS: No basis to disagree with the Department of Revenue assessment of fiscal impact from LB 927 as amended by AM 2023.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 927 AM: 2023 AGENCY/POLT. SUB: State Treasurer

REVIEWED BY: Neil Sullivan DATE: 4/5/2022 PHONE: (402) 471-4179

COMMENTS: No basis to disagree with the State Treasurer assessment of no fiscal impact from LB 927 as amended by AM 2023.

could have an undeterminable, negative effect on General Fund revenues. The increase in the maximum assistance will cause a \$125 million decrease in General Fund revenues in later fiscal years.

AM 2632 further amends Neb. Rev. Stat. § 13-2605 to provide that a map must be provided of the eligible area for any application approved prior to the effective date of the act. The nearby parking facility must be within six hundred yards of the convention and meeting center facility. It also expands eligible capital improvements to include acquiring, constructing, improving and equipping nearby parking facilities. It also directs that 55% of the Convention Center Support Funds must be used to showcase important historical aspects of the areas or areas within close geographic proximity of the area with a high concentration of poverty and to assist with the reduction of street and gang violence in such areas. 45% of the funds must be used to assist with small business and entrepreneurship growth in such areas.

Applications can be submitted to the city council or county commissioner listed in 13-2610(3)(c)(i) and (ii). Fund recipients will provide an itemized report detailing the use of the funds and imposes a three -year consecutive limit on receiving funds unless the recipient can justify continued funding.

AM2505 incorporates the changes relating to joint public hearings and postcards under the Property Tax Request Act made in LB1250 into LB927. As drafted in AM2505 these changes are:

Section 10 addresses changes to Neb. Rev. Stat. § 77-1633 regarding the joint hearing required when a political subdivision seeks to increase its property tax request by more than the allowable growth percentage. The timing of the joint hearing is changed from taking place before participating political subdivisions file their budget statement with the auditor according to Neb. Rev. Stat. § 13-506 to taking place before participating political subdivisions adopt their budget statement according to Neb. Rev. Stat. § 13-508. Subsection (3)(d) is amended to add that the county clerk or their designee organize the joint public hearing.

Subsection (3)(g) is amended to strike and add language that results in county assessors being able use a printing service selected by the county board to print the postcards required by subsection (3)(h) instead of being simply instructed to mail the postcards as required in the subsection. The printing would initially be paid out of the county's general fund before being proportionally charged to the political subdivisions based on the total number of parcels in each participating political subdivision.

The required statement in the subsection (3)(h)(iii) to be placed on the postcard is changed slightly to alert the taxpayer to overall increases in their property taxes and that the actual tax on their property may increase or decrease.

In section 11, Neb. Rev. Stat. § 77-1634 of the Property Request Act is amended to note that as long as a political subdivision complies with the Act, its property tax request will not be invalidated because any other political subdivision failed to do so.

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

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

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2022

LB⁽¹⁾ 927, AM's 2023, 2505, 2632

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ State Treasurer

Prepared by: ⁽³⁾ Jason Walters Date Prepared: ⁽⁴⁾ April 1, 2022 Phone: ⁽⁵⁾ 402-471-2793

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2022-23</u>		<u>FY 2023-24</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

The State Treasurer's Office doesn't expect any fiscal impact from LB 927 AM 2023 or AM 2505 or AM 2632 to the office.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2022-23</u>	<u>2023-24</u>
	<u>22-23</u>	<u>23-24</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____