

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

| ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates) | | | | |
|---|---------------------|----------------|---------------------|----------------|
| | FY 2013-14 | | FY 2014-15 | |
| | EXPENDITURES | REVENUE | EXPENDITURES | REVENUE |
| GENERAL FUNDS | | | | |
| CASH FUNDS | | \$2,306,168 | | \$2,320,004 |
| FEDERAL FUNDS | | | | |
| OTHER FUNDS | | | | |
| TOTAL FUNDS | | \$2,306,168 | | \$2,320,004 |

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

LB 653 amends the Nebraska Liquor Control Act.

The bill would increase the gallonage tax on beer from the current \$0.31 per gallon to a new rate of \$0.36 per gallon.

In addition, the bill requires that the equivalent of \$0.05 of the tax revenue shall be distributed as follows:

- a) 50% to the Nebraska State Patrol Cash Fund;
- b) 50% to counties to be used for law enforcement purposes.

The distribution to counties and an individual county's share is to be based on supplemental reports provided by beer wholesalers. The reports are to state the amount of revenue attributable to each county to \$0.05 per gallon of the tax imposed by Section 53-160.

The Liquor Control Commission indicates that, based on actual gallonage for FY2011-12 of 45,848,272, that LB 653 would have generated an additional \$2,292,414 of revenue in FY2011-12.

We estimate the following fiscal impact as a result of LB 653:

| | <u>State Patrol Cash Fund:</u> | <u>Counties:</u> | <u>Total:</u> |
|------------|------------------------------------|------------------|---------------|
| FY2013-14: | \$1,153,084 | \$1,153,084 | \$2,306,168 |
| FY2014-15: | \$1,160,002 | \$1,160,002 | \$2,320,004 |

| ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES | | |
|--|------------------------|---|
| LB: 653 | AM: | AGENCY/POLT. SUB: Liquor Control Commission |
| REVIEWED BY: Gary Bush | DATE: January 29, 2013 | PHONE: 471-4161 |
| COMMENTS: Agree with agency's estimate that additional General Fund revenue would be realized by increasing the tax on beer by five cents per gallon. The actual increase in General Fund revenues is dependent upon the amount of beer subject to the tax. The agency's estimate for FY2013-14 and FY 2014-15 assumes the gallonage being taxed to remain flat. | | |

Please complete ALL (5) blanks in the first three lines.

2013

LB⁽¹⁾ 653 FISCAL NOTE

State Agency OR Political Subdivision Name: (2) Nebraska Liquor Control Commission

Prepared by: (3) Jerry Van Ackeren Date Prepared: (4) 1-24-2013 Phone: (5) 1-4892

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

| | <u>FY 2013-14</u> | | <u>FY 2014-15</u> | |
|--------------------|---------------------|----------------|---------------------|----------------|
| | <u>EXPENDITURES</u> | <u>REVENUE</u> | <u>EXPENDITURES</u> | <u>REVENUE</u> |
| GENERAL FUNDS | _____ | 2,292,414.00 | _____ | 2,292,414.00 |
| CASH FUNDS | _____ | _____ | _____ | _____ |
| FEDERAL FUNDS | _____ | _____ | _____ | _____ |
| OTHER FUNDS | _____ | _____ | _____ | _____ |
| TOTAL FUNDS | _____ | 2,292,414.00 | _____ | 2,292,414.00 |

Estimated Financial Impact:

FY 2011-2012 actual gallonage equals 45,848,272.00

| | |
|----------|-----------------|
| Tax rate | .31 |
| Result | \$14,212,964.00 |

FY 2013-2014 projected gallonage equals 45,848,272.00

| | |
|-------------------|-----------------|
| Proposed Tax rate | .36 |
| Result | \$16,505,378.00 |

| | |
|--------------------------------|-----------------|
| FY 2013-2014 projected revenue | \$16,505,272.00 |
| FY 2011-2012 actual | \$14,212,964.00 |
| Net Gain | \$2,292,414.00 |

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

| <u>POSITION TITLE</u> | <u>NUMBER OF POSITIONS</u> | | <u>2013-14</u> | <u>2014-15</u> |
|---------------------------|----------------------------|--------------|---------------------|---------------------|
| | <u>13-14</u> | <u>14-15</u> | <u>EXPENDITURES</u> | <u>EXPENDITURES</u> |
| | _____ | _____ | 0 | 0 |
| Benefits..... | _____ | _____ | _____ | _____ |
| Operating..... | _____ | _____ | _____ | _____ |
| Travel..... | _____ | _____ | _____ | _____ |
| Capital outlay..... | _____ | _____ | _____ | _____ |
| Aid..... | _____ | _____ | _____ | _____ |
| Capital improvements..... | _____ | _____ | _____ | _____ |
| TOTAL..... | _____ | _____ | 0 | 0 |