

PREPARED BY: Doug Gibbs  
 DATE PREPARED: February 11, 2013  
 PHONE: 402-471-0051

**LB 529**

Revision: 00

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2013-14</b>		<b>FY 2014-15</b>	
	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 529 amends the Community Development Law, Section 18-2116, regarding approval of a redevelopment plan and use of tax increment financing.

The bill adds new requirements regarding the percentage of real property that may be subject to tax increment financing as part of the criteria for approval of a redevelopment plan by the governing body of a municipality.

There could be some future impact to TEEOSA as a result of the limitations imposed by LB 529 but that would depend on the city and school districts affected. We are unable to estimate any impact.

<b>ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSES</b>			
LB: 529	AM:	AGENCY/POLT. SUB: City of Lincoln	
REVIEWED BY: Gary Bush		DATE: February 5, 2013	PHONE: 471-4161
COMMENTS: No basis to disagree with the City of Lincoln's estimate.			

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

2013

**LB(1) 529 FISCAL NOTE**

State Agency OR Political Subdivision Name: (2) Lincoln

Prepared by: (3) Steve Hubka Date Prepared: (4) 2/1/13 Phone: (5) 402 441-7412

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	FY 2013-14		FY 2014-15	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	_____	_____	_____	_____

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

**Explanation of Estimate:**

For Lincoln, 1.5% (i) of the tax base is \$250.1M and 5% (ii) of the increment is \$833.8M - the thresholds in the bill. Lincoln is at about 1.26% of the criteria in (i) and 1.21% of the criteria in (ii). However, there are a lot of projects in progress that will rapidly get to the limit in (i) with a lot of potential increment to use up the limit in (ii). The bill would not have immediate impact but possibly be a limitation in the not too distant future. If the limitations come into play and future projects do not happen as a result, future city sales tax revenue would be negatively impacted and property taxes to all governmental subdivisions would be impacted after the TIF districts expire. Those amounts cannot be reasonably estimated.

**MAJOR OBJECTS OF EXPENDITURE**

Personal Services:

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

