

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2014-15		FY 2015-16	
	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.

LB 1012 amends the Community Development Law.

Section 18-2103 (11) regarding the definition of “blighted” is amended to provide an exception to the area percentage limitations in the law. Currently, no more than 35% of the area of a city of the metropolitan, primary, or first class may be designated as blighted. For a city of the second class no more than 50% of the city may be designated as blighted. For a village no more than 100% of the village may be so designated.

LB 1012 adds language to provide that a redevelopment project involving a formerly used defense site shall not count towards the percentage limitations described above.

This change could mean that a city or village could designate a greater area of the city as blighted and therefore eligible for tax increment financing which could have some effect on state aid under TEEOSA but we believe the impact to be minimal, although at this time we do not know how many of these sites exist.

The Department of Revenue estimates no cost to implement the provisions of LB 1012.

We agree with the Department’s estimate of cost.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 1012	AM:	AGENCY/POLT. SUB: Dept. of Revenue	
REVIEWED BY: Gary Bush		DATE: February 3, 2014	PHONE: 471-4161
COMMENTS: Agree with the Dept. of Revenue’s estimate of impact.			

State Agency Estimate

State Agency Name: Department of Revenue Date Due LFA: 1/29/2014
 Approved by: Kim Conroy Date Prepared: 1/29/2014 Phone: 471-5896

	FY 2014-2015		FY 2015-2016		FY 2016-2017	
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue
General Funds		\$0		\$0		\$0
Cash Funds						
Federal Funds						
Other Funds						
Total Funds		\$0		\$0		\$0

LB 1012 excludes a redevelopment project involving a formerly used defense site from the blighted percentage calculation used under the Community Development Law (or Tax Increment Financing (TIF)). The Community Development Law limits the percentage of property a municipality may designate as blighted.

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

It is estimated that there will be no costs to the Department to implement LB 1012.

Major Objects of Expenditure

Class Code	Classification Title	14-15	15-16	16-17	14-15	15-16	16-17
		FTE	FTE	FTE	Expenditures	Expenditures	Expenditures
Benefits.....							
Operating Costs.....							
Travel.....							
Capital Outlay.....							
Aid.....							
Capital Improvements.....							
Total.....							