

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2021-22		FY 2022-23	
	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 165 seeks to amend various sections relating to significant property damage. Under LB 165, the definition of significant property damage is simplified, setting a clear-cut threshold for significance, 20%, and removing the county assessor’s role in such assessments.

Instead, LB 165 requires the County Assessor to inspect and review all properties for which a report was filed in a given year and compile a report for use by the county board of equalization. When such a report is received by the county board of equalization, they would be required to adjust the assessed value of the damaged property to the assessed value on the date it suffered significant property damage.

LB 165 becomes operative January 1, 2022.

The Department of Revenue estimates no fiscal impact to the General Fund or to the Department as a result of LB 165. There is no basis to disagree with this estimate.

The impact to county assessor offices is unlikely to be felt right away, nor evenly across counties. The Lancaster county assessor estimates that LB 165 could lead to a higher staffing need in the event of a high-damage storm. Counties with higher populations may be impacted more than others, as a damaging storm could impact a higher number of property owners, leading to more claims that would need to be inspected.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 165	AM:	AGENCY/POLT. SUB: Department of Revenue	
REVIEWED BY: Lee Will	DATE: 02/08/2021	PHONE: (402) 471-4175	
COMMENTS: Concur with the Department of Revenue’s assessment of no fiscal impact. The bill may have a minimal impact to the TEEOSA education formula.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 165	AM:	AGENCY/POLT. SUB: Lancaster County Assessor	
REVIEWED BY: Lee Will	DATE: 01/19/2021	PHONE: (402) 471-4175	
COMMENTS: The fiscal estimate provided by the Lancaster County Assessor seems reasonable given the assumptions used.			

State Agency Estimate

Table with columns for State Agency Name, Date Prepared, Date Due LFO, Phone, and three fiscal year periods (FY 2021-2022, FY 2022-2023, FY 2023-2024) with sub-columns for Expenditures and Revenue.

LB165 amends Neb. Rev. Stat. §§ 77-1301 and 77-1307 to redefine destroyed real property as damaged property and to redefine significant property damage to include damage to an improvement or to the land exceeding twenty percent of the improvement's or land's assessed value in the current tax year.

Section 3 amends Neb. Rev. Stat. § 77-1308 to provide that if real property suffers significant property damage prior to July 1 of the current assessment year, the property owner must file a report of the damaged property with only the county clerk on or before July 15 on a form prescribed by the Tax Commissioner.

Section 4 amends Neb. Rev. Stat. § 77-1309 to provide that when the county board of equalization receives a report of damaged real property from the county assessor, they must adjust the assessed value of the damaged real property to its assessed value on the date it suffered significant property damage.

Provisions of Neb. Rev. Stat. §§ 77-1301, 77-1307, 77-1308, 77-1309, and 77-1725.01 are amended to harmonize with the substantive changes of the bill.

The operative date for LB165 is January 1, 2022.

It is estimated that LB165 will have no impact on General Fund revenues.

It is estimated that LB165 will have minimal costs to DOR.

Table titled 'Major Objects of Expenditure' with columns for Class Code, Classification Title, and FTE/Expenditures for fiscal years 21-22, 22-23, and 23-24.

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

2021

LB⁽¹⁾ 165

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Lancaster County Assessor/ROD

Prepared by: ⁽³⁾ Scott Gaines Date Prepared: ⁽⁴⁾ 1/15/21 Phone: ⁽⁵⁾ 402-441-6580

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2021-22</u>		<u>FY 2022-23</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:

No fiscal impact to the Lancaster County Assessor's Office. However, it should be noted that in the event of a major storm or other damage-causing incident in late June of a year, we would likely incur some additional staffing costs in order to properly complete all required reports by July 20.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22</u>	<u>2022-23</u>
	<u>21-22</u>	<u>22-23</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____