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FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

Revised to correct fiscal impact numbers.

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2015-16		FY 2016-17	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$0		\$0	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$0		\$0	

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

LB 350 amends Nebraska Revised Statutes to change the valuation percentage of agricultural and horticultural land.

Section 77-201 is amended to provide that agricultural land and horticultural land shall be valued at 65% of actual value. Currently it is valued at 75% of actual value. The same change is made for special valuation of agricultural land and horticultural land.

Section 77-5023 is amended to change the acceptable range of agricultural land and horticultural land for taxation purposes from the current range of 69% to 75% to the new range of 59% to 65%.

Section 77-1016 is amended to change adjusted valuation for school state aid purposes to 62% of actual value. The current adjusted valuation is 72%.

The bill has an operative date of January 1, 2016.

The changes proposed by LB 350 will increase the amount necessary to fund state aid in the Tax Equity and Educational Opportunities Support Act (TEEOSA) and will be an expenditure from the General Fund as follows:

FY2015-16:	\$	0
FY2016-17:	\$	0
FY2017-18:	\$	24,858,968
FY2018-19:	\$	24,858,968

The Department of Revenue indicates the cost to implement LB 350 will be minimal.

We agree with the Department of Revenue's estimate of cost.