PREPARED BY: DATE PREPARED: PHONE: Doug Gibbs February 14, 2014 402-471-0051

LB 723

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT - STATE AGENCIES (See narrative for political subdivision estimates)								
	FY 201	14-15	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 723 amends Nebraska Revised Statutes Sections 77-1363 and 77-1371.

Section 77-1363 is amended to provide, for land classification purposes, that irrigated cropland is to be divided into the following subclasses:

- Ground water irrigated
- Surface water irrigated
- Ground and surface water irrigated
- Limited capacity irrigated

Section 77-1371 amends the requirements of using comparable sales in determining actual value of property by adding new guidelines for agricultural and horticultural land that is within one of the new subclasses of irrigated cropland.

There is no fiscal impact to the state as a result of LB 723.

The Department of Revenue indicates minimal cost to implement the provisions of LB 723.

We agree with the Department's estimate of cost.

IMPACT TO POLITICAL SUBDIVISIONS:

The Nebraska Association of County Officials indicates minimal fiscal impact as a result of LB 723.

We have no basis to disagree with the County Officials estimate of fiscal impact.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES							
LB: <mark>723</mark>	.B: 723 AM: AGENCY/POLT. SUB: NE Assoc. of County Officials (NACO)						
REVIEWED BY: Lyn Heaton DATE: 2/13/2014 PHONE: 402.471.4181							
COMMENTS: No basis to disagree with the NACO analysis of minimal fiscal impact in the short term. If the bill results in a							
change in the assessed valuation of the subclasses of irrigated land that would not have otherwise occurred, there would be							
a fiscal impact on counties and other political subdivisions that is indeterminate at this time.							

$LB^{(1)}$	723						FISCAL NOTE		
State Agency OR Political Subdivision Name: (2)			Neb	Nebraska Association of County Officials (NACO)					
Prepare	ed by: (3)	Elaine Menzel	Date	Prepared: (4)	1/13/2014	Phone: (5)	402.434.5660, ext 225		
		ESTIMATE PRO	VIDED BY S	TATE AGENO	<u>CY OR POLITICAL</u>	_ SUBDIVISIO	ON		
		<u>EXPENDITUR</u>	FY 2014-15 RES	<u>REVENUE</u>	<u>EXPENDIT</u>	<u>FY 2015</u> <u>'URES</u>	-16 REVENUE		
GENER	RAL FUNI	DS							
CASH I	FUNDS	<u> </u>							
FEDER	AL FUNI	os —							
OTHE	R FUNDS								
TOTAL	L FUNDS								
Explana	ation of Es	stimate:							
LB 723 minima		equire irrigated croplar	nd to be divi	ded into subc	lasses or real pro	pperty. Fisca	al impact would be		
			AKDOWN BY	MAJOR OBJ	ECTS OF EXPENI	DITURE			
Persona	al Services	3:	NHMDED C	F POSITIONS	2 2014 1		2017.10		
	POSIT	ION TITLE	14-15	15-16	S 2014-1 <u>EXPENDIT</u>		2015-16 EXPENDITURES		
									
Operati	ing								
Travel.							-		
_	-								
Aid									
Capital	improven	nents							
TO	TAL								

State Agency Estimate							
State Agency Name: Department	of Revenue				Date Due LFA:	1/15/2014	
Approved by: Kim Conroy		Date Prepared:	1/15/2014		Phone: 471-5896		
	FY 2014	<u>1-2015</u>	FY 2015-2016		FY 2016-2017		
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue	
General Funds		\$ 0	ĺ	\$ 0		\$ 0	
Cash Funds							
Federal Funds							
Other Funds							
Total Funds		\$ 0		\$ 0		\$ 0	
			<u> </u>				

LB 723 amends Neb. Rev. Stat. § 77-1363 to divide irrigated land into ground water irrigated, surface water irrigated, ground and surface water irrigated, and limited capacity irrigated subclasses.

It also amends guidelines used by assessing officials for use in determining what constitutes a comparable sale to include the difference in well capacity or water availability due to federal, state, or local regulatory actions or limited source affected the sale of property.

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

It is estimated that there will be minimal costs to the Department to implement this bill.

Major Objects of Expenditure									
Class Code	Classification Title	14-15 <u>FTE</u>	15-16 <u>FTE</u>	16-17 <u>FTE</u>	14-15 Expenditures	15-16 Expenditures	16-17 <u>Expenditures</u>		
Benefits									
Operating Costs									
Travel									
Capital Outlay.									
Aid.									
Capital Improvements.									