PREPARED BY: DATE PREPARED: PHONE: Doug Gibbs February 23, 2016 402-471-0051

LB 1051

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT - STATE AGENCIES (See narrative for political subdivision estimates)								
	FY 201	6-17	FY 2017-18					
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE				
GENERAL FUNDS	\$114,335	\$0	\$106,839	(\$1,166,000)				
CASH FUNDS								
FEDERAL FUNDS								
OTHER FUNDS								
TOTAL FUNDS	\$114,335	\$0	\$106,839	(\$1,166,000)				

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

LB 1051 amends the Nebraska Advantage Act.

Section 77-5715 amends the definition of "qualified business" for Tiers 2, 3, 4, or 5 projects, to now include the performance of "data analysis." No definition of data analysis is provided.

The Department of Revenue estimates the following fiscal impact to the General Fund as a result of the change proposed by LB 1051:

FY16-17:	\$	0
FY17-18:	(\$ 1,	166,000)
FY18-19:	(\$ 3,	740,000)
FY19-20:	(\$ 6,	639,000)
FY20-21:	(\$ 11,	109,000)
FY21-22:	(\$ 16,	064,000)
FY22-23·	(\$ 16	518 000

The Department indicates a cost of \$114,335 for FY2016-17 and \$106,839 for FY2017-18 for 1.0 FTE Fiscal Compliance Analyst and 1.0 FTE Auditor. PSL for the two fiscal years is \$78,447 and \$80,422, respectively.

We have no basis to disagree with the Department of Revenue's estimate of fiscal impact or cost.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES						
LB: 1051 AM: AGENCY/POLT. SUB: Department of Revenue						
REVIEWED BY: Robin Kilgore			DATE: 2-23-16	PHONE: 471-4180		
COMMENTS: No basis to disagree with agency estimate of fiscal impact.						

LB 1051 Fiscal Note 2016

State Agency Estimate							
State Agency Name: Department	of Revenue				Date Due LFA:	2/24/2016	
Approved by: Tony Fulton		Date Prepared:	2/22/2016		Phone: 471-5896		
	FY 2016-2017		FY 2017-2018		FY 2018-2019		
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue	
General Funds	\$114,335	\$0	\$106,839	(\$1,166,000)	\$109,403	(\$3,740,000)	
Cash Funds							
Federal Funds							
Other Funds							
Total Funds	\$114,335	\$0	\$106,839	(\$1,166,000)	\$109,403	(\$3,740,000)	

LB 1051 amends the Nebraska Advantage Act to expand the definition of qualified business to include "data analysis".

The estimated reduction to General Fund revenues would be as follows:

FY 16-17	\$
FY 17-18	\$ 1,166,000
FY 18-19	\$ 3,740,000
FY 19-20	\$ 6,639,000
FY 20-21	\$ 11,109,000
FY 21-22	\$ 16,064,000
FY 22-23	\$ 16,518,000

The Department would require one Auditor and one Fiscal Compliance Examiner to handle the increase in the amount of applications due to LB 1051.

Major Objects of Expenditure							
		16-17	17-18	18-19	16-17	17-18	18-19
Class Code	Classification Title	FTE	FTE	FTE	Expenditures	Expenditures	Expenditures
A21211	Fiscal Compliance Analyst	1	1	1	\$37,808	\$38,716	\$39,645
A21212	Auditor	1	1	1	\$40,639	\$41,614	\$42,613
Benefits	Benefits.				\$25,888	\$26,509	\$27,145
							_
Travel							_
Capital Outlay				\$10,000			
Capital Improveme	ents						
					\$114,335	\$106,839	\$109,403