

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>				
	<b>FY 2022-23</b>		<b>FY 2023-24</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
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 972 amends provisions related to the eligibility for land to receive special assessment.

Currently, for agricultural or horticultural land located within a city or village, special assessment is available if:

- the land is subject to a conservation or preservation easement;
- the land is subject to air installation compatible use zone regulations; or
- the land is within a flood plain.

LB 972 would qualify special assessment for land that has been subdivided into lots for residential construction, provided that no construction has started on such lots. Construction on communal infrastructure, such as streets and sewers, is exempt from this restriction.

The Department of Revenue estimates no impact on General Fund revenue and no cost to the department to implement the bill.

There could be some administrative costs to county assessor offices. However, we estimate the cost to be minimal. The Douglas County Assessor estimates any costs will be absorbed by the Assessor’s office. The Lancaster County Assessor estimates no fiscal impact.

The provisions of the bill could result in lower taxable valuation in political subdivisions with parcels that would qualify under the bill. The impact will vary by political subdivision. If the bill lowers valuation in an equalized school district, the General Fund expenditure for state aid to education pursuant to TEEOSA could increase. However, the extent of any decrease in valuation is indeterminable, and as such, any resulting increase in TEEOSA expenditures is also indeterminable.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 972	AM:	AGENCY/POLT. SUB: Department of Revenue	
REVIEWED BY: Jacob Leaver	DATE: 2/28/2022	PHONE: (402) 471-4173	
COMMENTS: Concur with the Department of Revenue’s estimated no fiscal impact to the agency as a result of LB 972.			

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 972	AM:	AGENCY/POLT. SUB: Douglas County Assessor	
REVIEWED BY: Jacob Leaver	DATE: 1/20/2022	PHONE: (402) 471-4173	
COMMENTS: No basis to dispute the Douglas County Assessor’s estimate of no fiscal impact to the county as a result of LB 972.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 972	AM:	AGENCY/POLT. SUB: Lancaster County Assessor/ROD	
REVIEWED BY: Jacob Leaver	DATE: 1/18/2022	PHONE: (402) 471-4173	
COMMENTS: No basis to dispute the Lancaster County Assessor's estimate of no fiscal impact to the county as a result of LB 972.			



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

**2022**

**LB<sup>(1)</sup> 972**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Douglas County Assessor/Register of Deeds

Prepared by: <sup>(3)</sup> Michael Goodwillie

Date Prepared: <sup>(4)</sup> 1/20/2022

Phone:  
(5)(402) 444-6703

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2022-23</u>		<u>FY 2023-24</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>

Explanation of Estimate: LB 972 would add to the class of property that could qualify for special valuation, agricultural land within the limits of a city or village that has been subdivided for residential construction and no construction has started on the lots other than communal infrastructure such as streets and sewers. This bill would extend the property tax break developers get when they buy agricultural land until the last possible moment. This is important because in many counties the difference in value between land in special valuation and land valued at its market value can literally be several hundred thousand dollars.

For our office, this bill can be administered with existing staff and would impose no additional administrative cost.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2022-23</u>	<u>2023-24</u>
	<u>22-23</u>	<u>23-24</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
<b>TOTAL.....</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>

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

**2022**

**LB<sup>(1)</sup> 972**

**FISCAL NOTE**

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

Prepared by: <sup>(3)</sup> Scott Gaines Date Prepared: <sup>(4)</sup> 1/14/22 Phone: <sup>(5)</sup> 402-441-6580

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2022-23</u>		<u>FY 2023-24</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.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2022-23</u>	<u>2023-24</u>
	<u>22-23</u>	<u>23-24</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____