

1/20/12

PREPARED BY: Jeanne Glenn
DATE PREPARED: February 21, 2012
PHONE: 471-0056

LB 1110

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *

	FY 2012-13		FY 2013-14	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	See below		See below	See below
FEDERAL FUNDS	(See below)	(See below)	(See below)	(See below)
OTHER FUNDS				
TOTAL FUNDS	See below	(See below)	See below	See below

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 1110 would modify statutory provisions regarding the Affordable Housing Trust Fund and the Homeless Shelter Assistance Trust Fund. The fiscal impact of LB 1110 would include:

Affordable Housing Trust Fund – LB 1110 would place \$500,000 in a subaccount of the Affordable Housing Trust Fund for housing projects related to natural disasters. The set-aside would occur on the effective date of the act. In addition, beginning January 1, 2013, 10% of all money remitted to the fund would be placed in the subaccount until the balance of the subaccount reached \$2,000,000. There would be no impact to the revenue received into the Affordable Housing Trust Fund, but LB 1110 would temporarily reduce the amount of revenue available for new, non-emergency projects. In addition to the \$500,000 set aside on the effective date of the act, it is estimated that \$500,000 to \$600,000 would be set aside in the subaccount on an annual basis until the balance reached \$2,000,000.

Expenditures from the subaccount would occur in the event of a natural disaster, and the timing of its use cannot be predicted. However, expenditures from the subaccount could occur as early as FY12-13. As a result, the cash fund expenditure authority level to the program would remain the same, in order to allow for use of the subaccount.

Homeless Shelter Assistance Trust Fund – LB 1110 would place \$300,000 in a subaccount of the Homeless Shelter Assistance Trust Fund for projects and assistance related to natural disasters. The set-aside would occur on the effective date of the act. In addition, beginning January 1, 2013, 10% of all money remitted to the fund would be placed in the subaccount until the balance of the subaccount reached \$500,000. There would be no impact to the revenue received into the Homeless Shelter Assistance Trust Fund, but the amount of revenue available for ongoing distribution and to match federal funds would be temporarily reduced. In addition to the \$300,000 set-aside on the effective date of the act, it is estimated that \$183,500 would be placed in the subaccount on an annual basis until the balance reached \$500,000.

Expenditures from the subaccount would occur in the event of a natural disaster, and the timing of its use cannot be predicted, but expenditures could occur as early as FY12-13. As a result, the cash fund expenditure authority level to the program would remain the same to allow for use of the subaccount. The Department of Health and Human Services notes that transfers authorized in LB 1110 may diminish the agency's ability to match federal grant funds and to provide the full amount of funding currently disbursed to organizations that provide homeless assistance services under contract with the agency. It is not known if disbursements from the subaccount would be eligible for federal matching funds.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Joe Wilcox	2/21/12	PHONE 471-2526
COMMENTS			
DHHS – LB1110, Section 15(3) calls for a transfer of \$300,000 on the effective date of the act and a transfer of 10% of money remitted to the Homeless Shelter Assistance Trust Fund on January 1, 2013. This transfer would be in addition to the \$300,000 and all could hit in FY 2013, or part in FY 2012 and part in 2013. The bill does not require DHHS to add this provision on top of current work on Homeless Assistance, so it is not a given that DHHS needs additional funding or appropriation to replace the transfer of funds noted in the bill. It could be just re-prioritizing existing resources.			

RECEIVED

FEB 21 2012 2012

LEGISLATIVE FISCAL

LB(1) 1110

FISCAL NOTE

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

Prepared by: (3) Willard Bouwens

Date Prepared:(4) 2-21-12

Phone: (5) 471-8072

FY 2012-2013

FY 2013-2014

	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$300,000		\$183,500	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$300,000		\$183,500	

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

To continue to provide the current level of homeless assistance to communities, the Department would need \$300,000 GF in SFY 2013, and approximately \$183,500 GF (10% of the estimated SFY14 trust fund total) in SFY 2014, to replace the amount transferred from the cash fund. If the funds are not replaced, the Department may be unable to use some of the federal grant available to this program as there is a 1 to 1 match requirement, and therefore may also be unable to meet contractual obligations to existing organizations that provide homeless assistance.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:	POSITION TITLE	NUMBER OF POSITIONS		2012-2013	2013-2014
		12-13	13-14	EXPENDITURES	EXPENDITURES
Benefits.....					
Operating.....					
Travel.....					
Capital Outlay.....					
Aid.....				\$300,000	\$183,500
Capital Improvements.....					
TOTAL.....				\$300,000	\$183,500