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LB 218

Revision: 01

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

Revised due to adoption of amendment on General File.

| ESTIMATE OF FISCAL IMPACT – STATE AGENCIES * | | | | |
|--|--------------|---------|--------------|---------|
| | FY 2009-10 | | FY 2010-11 | |
| | EXPENDITURES | REVENUE | EXPENDITURES | REVENUE |
| GENERAL FUNDS | \$0 | | \$0 | |
| CASH FUNDS | | | | |
| FEDERAL FUNDS | | | | |
| OTHER FUNDS | | | | |
| TOTAL FUNDS | \$0 | | \$0 | |

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

LB 218, as amended by AM712, would eliminate three existing aid to county programs and create a single county aid program. AM712 delays the operative date of the bill until July 1, 2011.

The bill would repeal the current jail reimbursement aid program and provisions; the County Property Tax Relief Program; and the general aid to counties distribution. These programs together currently provide \$10,375,866 in aid to counties.

The bill would replace those aid programs with a single county aid program that would be distributed as a percentage of the total real and personal property valuation of all counties. That percentage would be range between .0075% and .0125%. Based on the current valuation the minimum and maximum appropriation necessary would be:

.0075% = \$10,493,255
 0.125% = \$17,488,758

The amount of aid appropriated would be distributed as follows: Of the total amount appropriated, each county would receive \$30,000; in addition, from the amount remaining each county would receive an amount based on the ratio of the county's total real and personal property valuation to the total real and personal property valuation in the state.

If the Legislature appropriates only the minimum amount required each year, the county aid rate of growth will equal the rate of valuation growth for the state.

The Tax Commissioner would determine the amount to be distributed to each county on or before July 1 every year.

The fiscal impact of LB 218, as amended by AM712, would be as follows and is based on the assumptions of a 3.5% annual growth rate in property valuation and that the bill would be funded at the .0075% rate:

FY2009-10: \$ 0
 FY2010-11: \$ 0
 FY2011-12: \$ 864,771
 FY2012-13: \$1,258,193

IMPACT TO POLITICAL SUBDIVISIONS:

The fiscal impact to counties will vary county by county based on what they currently receive under the existing programs versus what they would receive under the bill, as amended.