

Revised due to amendments adopted through April 10, 2013

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2013-14		FY 2014-15	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS			See Below	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS			See Below	

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

LB306 amends the Judges' Retirement Act as follows.

1. Eliminates the July 1, 2014 sunset on the \$6 court fees. Current law provides for a return to \$5 court fees on July 1, 2014. The FY2014-15 cost avoidance to the State by eliminating the sunset is estimated by the Nebraska Public Employees Retirement System (NPERS) at \$556,156.
2. Eliminates the July 1, 2014 sunset on the additional 1% member contribution rate. The FY2014-15 cost avoidance to the State by eliminating the sunset is estimated at \$193,000.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 306	AM: 624	AGENCY/POLT. SUB: Supreme Court	
REVIEWED BY: Gary Bush		DATE: March 20, 2013	PHONE: 471-4161
COMMENTS: AM624 adds provision of LB229 to LB306. Agree that AM624 would have no impact to the Supreme Court operational budget or revenue.			

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 306	AM: 624	AGENCY/POLT. SUB: NPERS	
REVIEWED BY: Gary Bush		DATE: March 20, 2013	PHONE: 471-4161
COMMENTS: AM624 adds provision of LB229 to LB306. Agency's estimate of additional contributions to the Judges Retirement System by keeping courts fees at \$6.00 appears to be reasonable.			

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 306	AM: 457	AGENCY/POLT. SUB: NPERS	
REVIEWED BY: Gary Bush		DATE: March 13, 2013	PHONE: 471-4161
COMMENTS: Agree that AM457 removes all operational costs to NPERS. The additional required contribution per the 2012 actuary report is \$79,823. This report was completed based upon current law where Judges contribution rates would decrease by 1% on July 1, 2014. With the sunset removed, the level of contributions should be higher than assumed by the actuary report. LB414, 2009, increased the contribution rate by 1% until July 1, 2014. It was estimated on the fiscal note for LB414 that an additional \$200,000 per year would be added to the retirement plan for the 1% increase.			

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

2013

**LB⁽¹⁾ 306,
AM624 FISCAL NOTE**

State Agency OR Political Subdivision Name: ⁽²⁾ Supreme Court

Prepared by: ⁽³⁾ Eric Asboe Date Prepared: ⁽⁴⁾ 3/19/13 Phone: ⁽⁵⁾ 1-4138

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2013-14</u>		<u>FY 2014-15</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

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

Explanation of Estimate:

LB 306, as amended by AM624, has no fiscal impact regarding revenue since removing the sunset clause retains the judges retirement fee in that section at \$6.00. Changes regarding the retirement contribution rate and amortization method have no fiscal impact on the Supreme Court.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2013-14</u>	<u>2014-15</u>
	<u>13-14</u>	<u>14-15</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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

2013

LB⁽¹⁾ 306 FISCAL NOTE AM624

State Agency OR Political Subdivision Name: ⁽²⁾ NPERS

Prepared by: ⁽³⁾ Randy Gerke Date Prepared: ⁽⁴⁾ 03/19/2013 Phone: ⁽⁵⁾ 402 471-9495

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2013-14</u>		<u>FY 2014-15</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	
CASH FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	
FEDERAL FUNDS				
OTHER FUNDS				<u>\$550,000</u>
TOTAL FUNDS	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>\$550,000</u></u>

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

Explanation of Estimate:

LB 306 as amended through AM 624 removes the sunset and make permanent the six dollar fee from court cases that are provided to the Judges Retirement Plan. The estimate above is from the actuary and represents their estimate of revenue that would be generated if the fee was not allowed to sunset. The actuary's calculation is below. It is based on the most recent year actual court fees. This would not affect the first year of the biennium as this was not due to sunset until July 1, 2014.

	<u>District:</u>	<u>County:</u>	<u>County 10%</u>	<u>Supreme:</u>
June 30, 2012 Traverse Balance	332,954	2,971,208	74,433	73,880
Late Fee Paid in 11/12	-	-	-	-
Reversal of June 2011 accrual	(55,838)	(272,872)	(5,786)	(8,714)
June 2012 accrual	31,596	258,021	5,790	6,698
Variance due to overpayment	-	-	-	-
	<u>308,712</u>	<u>2,956,357</u>	<u>74,437</u>	<u>71,864</u>
				3,411,370
total court fees subject to \$6	3,336,933			
Estimate of fees if they drop to \$5	2,780,778			
Difference due to \$1 decrease	(556,156)			

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2013-14</u>	<u>2014-15</u>
	<u>13-14</u>	<u>14-15</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			0	0

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

2013

LB⁽¹⁾ 306 FISCAL NOTE AM457

State Agency OR Political Subdivision Name: ⁽²⁾ NPERS

Prepared by: ⁽³⁾ Randy Gerke Date Prepared: ⁽⁴⁾ 3/8/2013 Phone: ⁽⁵⁾ 402 471-9495

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2013-14</u>		<u>FY 2014-15</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	<u>0</u>	_____	<u>0</u>	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>0</u>	_____	<u>0</u>	_____

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

Explanation of Estimate:

LB 306 as amended through AM 457 would change the original fiscal note prepared. This change would eliminate the need for an actuarial study and for programming costs. There would be no additional operating expenditures associated with this bill as amended.

Please note that there is an Actuarial Required Contribution (ARC) for FYE 2012 (due July 1, 2013) needed for the Judges plan. LB 306 proposed changes that would eliminate the ARC needed. Amendment 457 would remove the change and the FYE 2012 ARC would again be needed.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2013-14 EXPENDITURES</u>	<u>2014-15 EXPENDITURES</u>
	<u>13-14</u>	<u>14-15</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	<u>0</u>	<u>0</u>