

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2014-15</b>		<b>FY 2015-16</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	31,920	31,920	33,060	33,060
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	31,920	31,920	33,060	33,060

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

Under current law, an applicant for a real estate broker or salesperson license requests and pays for a criminal history record check prior to submitting a license application to the Real Estate Commission. LB 687 reverses the order of this process to require the license application to be made prior to obtaining the criminal history record check rather than after.

With this change the Real Estate Commission assumes that they would collect the fee (\$38) for the criminal history record check from the applicant and forward it to the agency performing the check, which is the State Patrol (The way the bill is written the applicant could still pay the State Patrol directly but the Commission plans to collect the fee from the applicant and use it to pay the State Patrol). The applicant is responsible for paying the fee under both current law and LB687. Because the revenue from the fee and in turn the payment of the criminal history record check using this revenue flow through the agency's cash fund there will be increased revenue and expenditures of an estimated \$31,920 in FY14-15, and \$33,060 in FY15-16.

<b>ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSES</b>		
LB: 687	AM:	AGENCY/POLT. SUB: Real Estate Commission
REVIEWED BY: Gary Bush	DATE: January 10, 2014	PHONE: 471-4161
COMMENTS: The estimate of cost by the Real Estate Commission appears to be reasonable given their assumptions.		

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

**2014**

**LB<sup>(1)</sup> 687**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup>

Nebraska Real Estate Commission

Prepared by: <sup>(3)</sup> Greg Lemon

Date Prepared: <sup>(4)</sup> 1/09/2014

Phone: <sup>(5)</sup> 402-471-2004

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

	<u>FY 2014-15</u>		<u>FY 2015-16</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS				
CASH FUNDS	31,920	31,920	33,060	33,060
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>31,920</b>	<b>31,920</b>	<b>33,060</b>	<b>33,060</b>

Explanation of Estimate: This bill changes the procedures for doing criminal background checks in conjunction with real estate license applications, under current law the check is done prior to the application, under LB687 it would be done after the application. There is a charge associated with criminal background checks is \$38. Under the new law we would collect the money and forward it to the Nebraska State Patrol. This would simply be pass through funding, but Increasing both our revenue and expenditures by the amount shown in the boxes above. Actual Checks Performed 2012 767, 2013, 803. FY14-15 Estimate 840, FY2015-16 estimate 870.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2014-15 EXPENDITURES</u>	<u>2015-16 EXPENDITURES</u>
	<u>14-15</u>	<u>15-16</u>		
Benefits.....				
Operating.....			31,920	33,060
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
<b>TOTAL.....</b>			<b>31,920</b>	<b>33,060</b>