

PREPARED BY: Scott Danigole  
 DATE PREPARED: January 15, 2016  
 PHONE: 471-0055

**LB 756**

Revision: 00

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2016-17</b>		<b>FY 2017-18</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	(44,323)	31,000	(44,323)	32,000
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>(44,323)</b>	<b>31,000</b>	<b>(44,323)</b>	<b>32,000</b>

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

LB 756 terminates the Long-Term Care Savings Plan.

The State Treasurer estimates General Fund expenditure reductions of \$44,323 each year. This is an amount equal to the total appropriation for the plan. This estimate is reasonable.

The Department of Revenue estimates that terminating income tax deductions will increase General Fund revenue by \$31,000 in fiscal year 2016-17, \$32,000 in fiscal year 2017-18 and \$33,000 in fiscal year 2018-19, relative to the current year. This estimate appears to be reasonable.

<b>ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSES</b>		
LB: 756	AM:	AGENCY/POLT. SUB: Dept. of Revenue
REVIEWED BY: Lyn Heaton	DATE: 1/15/2016	PHONE: 471-4181
COMMENTS: No basis upon which to disagree with the Department of Revenue's analysis.		

**State Agency Estimate**

State Agency Name: Department of Revenue		Date Due LFA:				
Approved by: Tony Fulton		Phone: 471-5896				
Date Prepared:						
	<u>FY 2016-2017</u>		<u>FY 2017-2018</u>		<u>FY 2018-2019</u>	
	<u>Expenditures</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Revenue</u>
General Funds		\$31,000		\$32,000		\$33,000
Cash Funds						
Federal Funds						
Other Funds						
Total Funds		\$31,000		\$32,000		\$33,000

LB 756 terminates the Nebraska Long-Term Care Savings Plan Act. Under the bill, the adjustments to federal adjusted gross income for contributions and withdrawals made by participants as part of the Nebraska Long-Term Care Savings Plan would be permitted only for tax years beginning before January 1, 2016. Plan participants would receive the balance in their accounts on the effective date of the bill.

The estimated increase to General Fund revenues would be as follows:

FY2016-17	\$	31,000
FY2017-18	\$	32,000
FY2018-19	\$	33,000

Departmental cost to implement LB 756 is expected to be minimal.

**Major Objects of Expenditure**

<u>Class Code</u>	<u>Classification Title</u>	16-17	17-18	18-19	16-17	17-18	18-19
		<u>FTE</u>	<u>FTE</u>	<u>FTE</u>	<u>Expenditures</u>	<u>Expenditures</u>	<u>Expenditures</u>
Benefits.....							
Operating Costs.....							
Travel.....							
Capital Outlay.....							
Aid.....							
Capital Improvements.....							
<b>Total.....</b>							



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**2016**

**LB<sup>(1)</sup> 756**

**FISCAL NOTE**

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

Nebraska State Treasurer

Prepared by: <sup>(3)</sup> Jason Walters

Date Prepared: <sup>(4)</sup> January 13, 2016

Phone: <sup>(5)</sup> 402-471-2793

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

	<u>FY 2016-17</u>		<u>FY 2017-18</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	-\$44,323		-\$44,323	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>-\$44,323</b>		<b>-\$44,323</b>	

**Explanation of Estimate:**

The fiscal impact in FY 2016-17 would be saving the funds that are to be appropriated to the Long-Term Care Savings Plan, as shown in LB 657, first session of the 104<sup>th</sup> Legislature. A budget for FY 2017-18 hasn't been prepared yet, but assuming the same budget in FY 2017-18 as in FY 2016-17 shows savings of the same dollar amounts, due to the termination of the Long-Term Care Savings Plan.

The Long-Term Care Savings Plan doesn't have a staff person, rather, work in this program is done by a variety of staff members. There would be a PSL savings as the Long-Term Care Savings Plan, wouldn't exist, but we wouldn't make any staffing reductions.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2016-17</u>	<u>2017-18</u>
	<u>16-17</u>	<u>17-18</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
			-\$13,796	-\$13,796
Benefits.....			-\$3,759	-\$3,759
Operating.....			-\$25,367	-\$25,367
Travel.....			-\$1,051	-\$1,051
Capital outlay.....			-\$350	-\$350
Aid.....				
Capital improvements.....				
<b>TOTAL.....</b>			<b>-\$44,323</b>	<b>-\$44,323</b>