

PREPARED BY: Scott Danigole
 DATE PREPARED: April 05, 2016
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LB 756

Revision: 01

Updated to reflect amendments adopted to date.

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2016-17		FY 2017-18	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS			(22,162)	0
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS			(22,162)	0

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

LB 756, as amended by AM2375, terminates the Long-Term Care Savings Plan on January 1, 2018

The State Treasurer estimates annual 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. With AM2375, the Plan's termination is moved to January 1, 2018. Therefore, the expenditure reduction is reduced by 50% for fiscal year 2017-18.

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. With the adoption of AM2375, these revenue increases are moved out by two fiscal years. Beginning in fiscal year 2018-19, revenue will begin to increase by the amounts estimated.

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2016

LB⁽¹⁾ 756

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Nebraska State Treasurer

Prepared by: ⁽³⁾ Jason Walters

Date Prepared: ⁽⁴⁾ January 13, 2016

Phone: ⁽⁵⁾ 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				
TOTAL FUNDS	-\$44,323		-\$44,323	

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 104th 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.....				
TOTAL.....			-\$44,323	-\$44,323