

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2019-20</b>		<b>FY 2020-21</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

LB 189 removes state aid for roads and streets, except the amount to be used for capital improvements, from the definition of “restricted funds” budgeted by cities and villages. Restricted funds budgeted are subject to allowable growth limitations.

The bill contains the emergency clause and has an operative date of July 1, 2019.

There is no fiscal impact or cost to the state as a result of this bill. However, the cities of Omaha and Lincoln estimate that LB 189 will reduce their unused restricted funds authority, which could result in budget cuts or limited flexibility to deal with unforeseen costs.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 189	AM:	AGENCY/POLT. SUB: Department of Revenue	
REVIEWED BY: Lee Will	DATE: 1/29/2019	PHONE: (402) 471-4175	
COMMENTS: Concur with the Department of Revenue’s assessment of no fiscal impact.			

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 189	AM:	AGENCY/POLT. SUB: City of Omaha	
REVIEWED BY: Lee Will	DATE: 1/22/2019	PHONE: (402) 471-4175	
COMMENTS: No basis to disagree with the City of Omaha’s assessment of fiscal impact.			

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 189	AM:	AGENCY/POLT. SUB: City of Lincoln	
REVIEWED BY: Lee Will	DATE: 1/23/2019	PHONE: (402) 471-4175	
COMMENTS: No basis to disagree with the City of Lincoln’s assessment of fiscal impact.			



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

**2019**

**LB<sup>(1)</sup> 189**

**FISCAL NOTE**

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

Prepared by: <sup>(3)</sup> Brandon Kauffman Date Prepared: <sup>(4)</sup> 1/15/19 Phone: <sup>(5)</sup> 441-7412

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

	<u>FY 2019-20</u>		<u>FY 2020-21</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>

**Explanation of Estimate:**

The impact to the City of Lincoln for removing the state aid for the motor fuel tax from the restricted funds definition would not likely have an immediate fiscal impact but would immediately decrease the base of the total unused restricted funds authority. Given the City's current revenue trends that grow above the 2.5% allowed growth, this would put downward pressure on our restricted funds balances and cause potential budget cuts moving forward. Those cuts cannot be estimated at this time due to the complexity of understanding future budgets and estimated revenue growth compared to allowable growth.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2019-20</u>	<u>2020-21</u>
	<u>19-20</u>	<u>20-21</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
<b>TOTAL.....</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>

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

**2019**

**LB<sup>(1)</sup> 189**

**FISCAL NOTE**

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

Prepared by: <sup>(3)</sup> TYLER LEIMER Date Prepared: <sup>(4)</sup> 1/18/2019 Phone: <sup>(5)</sup> 402-444-4514

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2019-20</u>		<u>FY 2020-21</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>

Explanation of Estimate: LB 189 would restrict City of Omaha annexations, and would reduce the 2020 Budget unused authority by \$56,000,000. This would limit the City's flexibility for disaster or other unforeseen city-wide issues.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2019-20</u>	<u>2020-21</u>
	<u>19-20</u>	<u>20-21</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
<b>TOTAL.....</b>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>