

MM/ST

PREPARED BY: Doug Gibbs
DATE PREPARED: February 02, 2011
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LB 537

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2011-12		FY 2012-13	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 537 amends Nebraska Revised Statute Section 13-519 to allow a budget limit exception for governmental units. For fiscal years on or after July 1, 2011, a governmental unit would be allowed to exceed the prior year's total budgeted restricted funds by an amount equal to the reduction in state aid from the prior fiscal year (plus allowable growth and the basic allowable growth percentage).

The bill also amends Nebraska Revised Statute Section 77-3442 to allow a political subdivision, for fiscal years on or after July 1, 2011, to increase their property tax levy to replace revenue lost due to reductions in state aid from the prior fiscal year.

The Department of Revenue estimates no fiscal impact to the state and no cost to implement LB 537.

We agree with the Department's estimate of fiscal impact and cost.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Lyn Heaton	DATE	2/3/11	PHONE	471-2526
COMMENTS					
DEPARTMENT OF REVENUE: Depending on the spending and tax decisions made by local governments, the bill could have an impact on the amount of property taxes levied. Concur. No fiscal impact on the department.					
NACO: Depending on the decisions made by counties, the bill could have an impact on the property taxes levied.					

