

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2015-16		FY 2016-17	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS		40,000 to 50,000		68,000 to 70,000
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		40,000 to 50,000		68,000 to 70,000

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

LB 359 would amend the amount of the animal license fee charged at the local level and remitted to the State Treasurer for deposit in the Commercial Dog and Cat Operation Inspection Program Cash Fund. Current law provides that 97 cents of a \$1 fee be remitted to the state; LB 359 would amend the total fee to \$1.25, with \$1.22 being remitted to the state.

The increased fee would provide additional cash fund revenue to the Commercial Dog and Cat Operation Inspection Program Cash Fund. It is estimated that the annual revenue increase realized from the fee could range from \$65,000 to \$70,000. Because the increased fee provision does not have an operative date and the bill does not have an emergency clause, it is possible that the first year fee collections may lower than the full annualized amount.

It is estimated that the existing appropriation for the Commercial Dog and Cat Operator Inspection Cash Fund would be adequate to expend the increased revenue.

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

2015

LB⁽¹⁾ LB 359

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Department of Agriculture

Prepared by: ⁽³⁾ Robert Storant

Date Prepared: ⁽⁴⁾ 2/12/15

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ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2015-16</u>		<u>FY 2016-17</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	28,666	_____	68,369
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	28,666	=====	68,369

Explanation of Estimate:

LB 359 increases the fees counties, cities and villages would collect, in addition to their local license tax, currently in place, from \$1.00 to \$1.25. The local entity would continue to retain \$.03 of the fee for their administrative handling of the collection of the fee. This impacts only local jurisdictions that impose a local license tax on owners or harbors of dogs and cats. The following is a summary of fees currently collected under the existing fee structure. Utilizing a three-year average (\$233,478--FY2011-12 through FY 2013-14), the chart shows the impact the fee increase would have on revenues collected and cash flow for the Commercial Dog and Cat Operator Inspection Program Cash Fund.

	Local Fee Increase of 25%							
	Actual FY11-12	Actual FY12-13	Actual FY13-14	Projected FY14-15	Projected FY15-16	Projected FY16-17	Projected FY17-18	Projected FY18-19
Beginning Cash Balance	136,976	113,170	96,702	81,866	58,665	40,857	43,099	35,738
Revenue:								
General License Fees	130,510	125,875	118,180	120,000	120,000	120,000	120,000	120,000
Dog & Cat Lic Fee (Local)	224,976	222,804	252,653	251,582	262,144	291,847	291,847	291,847
Investment Income	2,352	1,185	1,164	1,131	1,100	850	880	800
Operating Donations	2,000	0	0	3,000	0	0	0	0
Reimb Non-Govt Sources	516	630	384	113	384	384	384	384
Late Renewal Fees	880	3,240	1,975	1,460	2,032	2,032	2,032	2,032
Miscellaneous	7,554	6,517	(26)	(6)	3,500	3,500	3,500	3,500
Total Revenue	368,788	360,252	374,330	377,279	389,160	418,613	418,643	418,563
Expenditures								
Salary & Benefits	323,184	307,623	312,980	324,371	330,858	339,130	347,608	356,298
Operating	47,662	45,014	54,069	54,072	54,072	55,153	56,257	57,382
Travel	3,694	6,828	2,537	2,537	2,537	2,588	2,639	2,692
Capital Outlay	18,055	17,254	19,581	19,500	19,500	19,500	19,500	19,500
Total Expenditures**	392,595	376,719	389,166	400,480	406,967	416,371	426,004	435,872
Cash Fund Balance	113,170	96,702	81,866	58,665	40,857	43,099	35,738	18,429

This bill does not have a fiscal impact on program expenditures. The additional revenue generated would create adequate cash flow for the Dog and Cat Operator Inspection Program for approximately 5 years. The bill does not have an operative date for the fee increase, so the revenue fiscal impact for FY2015/16 will be approximately 25% less than future fiscal years based on past collections. Also, factored in is the lag time of when fees are received.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2015-16</u>	<u>2016-17</u>
	<u>15-16</u>	<u>16-17</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits			_____	_____
Operating			_____	_____
Travel			_____	_____
Capital outlay			_____	_____
Aid			_____	_____
Capital improvements			_____	_____
TOTAL			_____	_____