

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	\$6,792		\$0	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$6,792		\$0	

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

LB 933 creates the Payroll Processor Regulation Act.

The bill provides definitions for employer, payroll processing services, payroll processor, and payroll and issuing payroll checks.

The Act would require a person desiring to engage or continue in business as a payroll processor shall apply to the Tax Commissioner for a payroll processor license on or before January 1 of each year. As part of the application the applicant shall include evidence of a surety bond equal to the total of all state and federal tax payments and unemployment insurance premiums processed on behalf of employers in the three-consecutive-month period of highest volume during the previous calendar year or \$50,000, whichever is greater but not to exceed \$500,000. Failure to maintain the bond or security is grounds for revocation, suspension, or nonrenewal of the license.

The Tax Commissioner may adopt and promulgate rules and regulations to administer the Act.

The Department of Revenue estimates that LB 933 will have no fiscal impact to the General Fund.

The Department indicates that the cost to implement the provisions of the bill will include a one-time programming cost of \$6,792 paid to the Office of the CIO.

We have no basis to disagree with the Department of Revenue's estimate of cost and fiscal impact.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 933	AM:	AGENCY/POLT. SUB: Dept. of Revenue	
REVIEWED BY: Lyn Heaton		DATE: 1/22/2016	PHONE: 471-4181
COMMENTS: No basis upon which to disagree with the Department of Revenue's estimate of minimal fiscal impact.			

