

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2008-09		FY 2009-10	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	960,400	See Below	845,400	See Below
CASH FUNDS		(See Below)		(See Below)
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	960,400		845,400	

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

This bill would adopt the Property Tax Review Court Act.

The following table uses information from the Nebraska Supreme Court (Court) and the Tax Equalization and Review Commission (TERC) to estimate the expenditure impact of this bill:

ITEMS	FY08-09	FY09-10	FY08-09	FY09-10
	Number of Positions		Expenditures	
Property Tax Judge	3.00	3.00	346,496	346,496
Clerk of the Court	1.00	1.00	54,170	54,170
Administrator	1.00	1.00	80,267	80,267
Administrative Assistant	1.00	1.00	33,435	33,435
Career Law Clerk	3.00	3.00	148,197	148,197
Law Clerk	3.00	3.00	134,419	134,419
Staff Attorney	1.00	1.00	63,047	63,047
Bailiff	1.00	1.00	30,327	30,327
Deputy Clerk of the Court	1.00	1.00	40,641	40,641
Scheduling Clerk	1.00	1.00	31,843	31,843
Administrative Secretary	1.00	1.00	33,435	33,435
Court Reporter	1.00	1.00	49,928	49,928
Benefits			333,645	333,645
Operating Expenses			284,150	284,150
Travel Expenses			21,300	21,300
Capital Outlay Expenses			115,000	0
Total	18.00	18.00	1,800,300	1,685,300
TERC FY08-09 appropriation	9.00	9.00	839,900	839,900
Net FTE & General Fund impact	9.00	9.00	960,400	845,400

Other information regarding the Court's estimate:

Judges: FY09 salary of Supreme Court judges = \$135,881. Salary for Property Tax Judges is 85% of this amount, \$115,499.

Other staff positions: These are either listed in the bill or estimated as necessary to support the new court.

Operating and Travel Expenses: These expenses are based on the current budget of the Court of Appeals.

Permanent Record/Bound Volumes: The bill does not mention this item and it is not included in the Court's estimate.

Other: The Administrator is to distribute a current copy of existing rules and updates to the State Library and a library in each county (law or other). These costs are not included in the Court's estimate, but would be minimal if provided electronically.

Capital Outlay Expenses: The Court estimates \$5,000 per Judge and staff for furniture and equipment, plus an additional \$25,000 for courtroom furniture and equipment.

Filing Fee Revenues: The Court notes there is \$25 filing fee for each appeal. The revenue from this fee would depend on the number of appeals filed, and this is unknown at this time. The Legislative Fiscal Office analyst (LFO) notes that there is currently the same fee for filing an appeal to TERC. For informational purposes, over the last three fiscal years (FY05 to FY07) the fee revenue generated ranged from \$13,000 to almost \$35,000 per year.

This fiscal note shows the net General Fund expenditure impact in the boxes above and that is why the amounts are different from the Court's fiscal note response.

See the fiscal note response of the Court for details on their estimate.

This bill repeals the Tax Equalization and Review Commission Cash Fund. TERC notes that as of January 31, 2008, the fund balance was \$155,260. TERC notes that they assume that any unencumbered balance in the fund will lapse to the General Fund on the effective date of this bill. This amount is unknown at this time. Any lapse to the General Fund would be a one-time revenue gain.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Lyn Heaton	DATE	2/19/08	PHONE	471-2526
COMMENTS					
NEBRASKA SUPREME COURT – The agency estimate appears to be weighted disproportionately toward the judicial nature of the new entity and does not appear to give sufficient attention to the assessment and appraisal functions of the court.					
TAX EQUALIZATION ND REVIEW – The agency analysis appears reasonable.					