Keisha Patent March 05, 2019 402-471-0059

LB 336

Revision: 00 FISCAL NOTE LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)							
	FY 201	19-20	FY 2020-21				
	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 336 amends the Nebraska Budget Act to provide that a governmental unit subject to the act can exceed the limitation on budgeted restricted funds by up to an additional 1% based on a majority vote of the governing body. The current requirement is an affirmative vote of 75% of the governing body.

This bill is not estimated to have a fiscal impact to the state. The bill is not estimated to result in additional administrative cost to governmental units subject to the act based upon procedures, but the overall fiscal impact to governmental units subject to the act would vary based upon the decisions of affected governing bodies.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE LB: 336 AM: AGENCY/POLT. SUB: Department of Revenue REVIEWED BY: Lee Will DATE: 3/4/2019 PHONE: (402) 471-4175 COMMENTS: Concur with the Department of Revenue's assessment of no fiscal impact.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE						
LB: 336	AM:	AGENCY/POLT. SUB: City of Lincoln				
REVIEWED BY:	Lee Will	DATE: 1/24/2019	PHONE: (402) 471-4175			
COMMENTS: No basis to disagree with the City of Lincoln's assessment of fiscal impact.						

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE						
LB: 336	AM:	AGENCY/POLT. SUB: Nebraska Associat	ion of County Officials (NACO)			
REVIEWED BY:	Lee Will	DATE: 1/23/2019	PHONE: (402) 471-4175			
COMMENTS: Concur with NACO's assessment of no fiscal impact.						

Fiscal Note 2019

		State Agency	Estimate			
State Agency Name: Department	of Revenue				Date Due LFA:	2/1/19
Approved by: Tony Fulton		Date Prepared:	1/25/19		Phone: 471-5896	
	FY 201	9-2020	FY 202	0-2021	FY 20	21-2022
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue
General Funds		\$0		\$0		\$0
Cash Funds						
Federal Funds						
Other Funds						
Total Funds		\$0		\$0		\$0

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LB 336 changes the vote necessary to exceed the budget limitation by up to an additional one percent to a majority of the governing body instead of a seventy-five percent supermajority of that governing body.

It is estimated that this bill will have no impact on General Fund revenues.

It is estimated that there will be no cost to the Department to implement the bill.

The operative date of the bill is July 1, 2019.

Major Objects of Expenditure							
<u>Class Code</u>	Classification Title	19-20 <u>FTE</u>	20-21 <u>FTE</u>	21-22 <u>FTE</u>	19-20 <u>Expenditures</u>	20-21 <u>Expenditures</u>	21-22 <u>Expenditures</u>
Benefits							
Operating Costs							
Travel							
Capital Outlay							
	ts						

Please complete <u>ALL</u> (5) blanks in the first three lines.

LB ⁽¹⁾ 336				FISCAL NOTE
State Agency OR I	Political Subdivision Name: ⁽²⁾	City of Lincoln		
Prepared by: ⁽³⁾	James Van Bruggen	Date Prepared: ⁽⁴⁾	1/18/19 Phor	ne: (5) 441-8301
	ESTIMATE PROVI	<u>DED BY STATE AGEN</u>	ICY OR POLITICAL SUBI	DIVISION
	<u>FY s</u> EXPENDITURES	2019-20 <u>REVENUE</u>	<u>FY</u> <u>EXPENDITURES</u>	<u>2020-21</u> <u>REVENUE</u>
GENERAL FUN	DS		1000	
CASH FUNDS				
FEDERAL FUN	DS			
OTHER FUNDS				
TOTAL FUNDS				

Explanation of Estimate:

The impact to the City of Lincoln for removing the supermajority to a majority would not likely have an immediate fiscal impact but would change the supermajority threshold which would potentially help to increase the base of the City's restricted funds authority. Given the City's current revenue trends that grow above the 2.5% allowed growth, this would potentially increase the allowable restricted funds balances and alleviate pressure for 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.

BREAKI	<u>DOWN BY MAJ</u>	<u>OR OBJECTS O</u>	<u>F EXPENDITURE</u>	
Personal Services:				
	NUMBER OF	POSITIONS	2019-20	2020-21
POSITION TITLE	<u>19-20</u>	<u>20-21</u>	EXPENDITURES	EXPENDITURES
Benefits				
Operating				
Travel				
Capital outlay				
Aid				
Capital improvements				
TOTAL				
1011112				

Please complete <u>ALL</u> (5) blanks in the first three lines.

LB ⁽¹⁾ 33	36					FISCAL NOTE		
State Agency	OR P	olitical Subdivision Name: ⁽²⁾	Nebraska Association of County Officials (NACO)					
Prepared by	r <mark>:</mark> (3)	Elaine Menzel	Date Prepared: ⁽⁴⁾	1/17/2019	Phone: (5)	(402) 434.5660		
		ESTIMATE PROVI	DED BY STATE AGEN	CY OR POLITICAL	<u>SUBDIVIS</u>	ION		
		<u>FY</u> EXPENDITURES	<u>2019-20</u> <u>REVENUE</u>	<u>EXPENDITU</u>	<u>FY 2020-</u> (<u>RES</u>	-21 <u>REVENUE</u>		
GENERAL	FUNE			<u> </u>				
CASH FUNI	DS			<u> </u>				
FEDERAL I	FUND	S		<u> </u>				
OTHER FU	NDS			<u> </u>				
TOTAL FU	NDS							

Explanation of Estimate:

LB 336 would modify the vote requirements from a supermajority vote to a majority vote of the governing body of a governmental subdivision for that governmental subdivision to exceed the budget limits by up to one percent.

There is no anticipated fiscal impact, particularly as it relates to the process of the county board which is the change proposed.

BREAKI	DOWN BY MA.	OR OBJECTS O	<u>F EXPENDITURE</u>	
Personal Services:				
	NUMBER OF	F POSITIONS	2019-20	2020-21
POSITION TITLE	<u>19-20</u> <u>20-21</u>		EXPENDITURES	EXPENDITURES
				·
Benefits				
Operating				
Travel				
Capital outlay				
Aid				
Capital improvements				
TOTAL				