

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2008-09		FY 2009-10	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS			(800,000)	
CASH FUNDS			800,000	800,000
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	0	0	0	800,000

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

LB1008 would require that counties, for which the state has previously assumed the assessor function, reassume that responsibility by FY2011-12. The county may reassume that function starting in FY09-10 with mandatory assumption starting in FY11-12. Counties would also receive budget and levy limit exclusions for the resumption of these assessor costs but only for FY09-10, FY10-11 and FY11-12.

A county for which the state has assumed its assessment function, and has not reassumed that function, will be billed annually by the State of Nebraska during the phase-in period for one-third the cost in FY2009-10 and two-thirds the cost in FY2010-11. Starting in FY2011-12 the county assumes the full cost and administration of the assessment function.

There are currently nine counties where the state carries out the assessment function; Dakota, Dodge, Garfield, Greeley, Harlan, Hitchcock, Keith, Saunders, and Sherman. Total costs for the nine counties in FY2006-07 were \$2,225,371. Assuming the nine counties all phase-in through full assumption in FY2011-12, savings to the state (General Funds) and projected costs to the counties are as shown below. This assumes a 3% per year increase from the FY07 level. Note that in FY10 and FY11 the full cost and operations would still be assumed by the state however the costs would be split between the state General fund and the billings to the counties. In FY2001-012 the state savings also include the general program administrative costs which would not be required with the full assumption by counties.

Fiscal Yr	State (Gen Fund)	County
FY2008-09	0	0
FY2009-10 (33%)	(800,000)	800,000
FY2010-11 (66%)	(1,700,000)	1,700,000
FY2011-12	(2,720,000)	2,600,000

During the FY10 through FY12 three year phase-in the additional costs to the counties to pay the state billing and/or reassume the assessor function would likely be paid for through additional property taxes levied. The impact is unknown after FY12 when the temporary levy limit exclusion expires.