

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *</b>				
	<b>FY 2009-10</b>		<b>FY 2010-11</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS	See Below		See Below	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See Below		See Below	

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

LB16 would enact the Taxpayer Transparency Act. This act would require that by January 1, 2010, the Legislature shall provide a single, searchable web site accessible by the public that includes a breakdown of state expenditures by several levels of detail as enumerated in the act. This would include (a) the name and principal location or residence of the entity and recipients of the state funds; (b) the amount of state funds expended; (c) the type of transaction; (d) the funding or expending agency; (e) the budget program source; (f) a descriptive purpose of the funding action or expenditure; and (g) other relevant information. The bill further defines expenditure of state funds to include grants, contracts, subcontracts and tax refunds and credits excluding those which result from the overpayment of income tax.

The cost to implement this act is difficult to estimate. Information obtained regarding costs to create searchable state spending websites in other states ranged from \$40,000 to \$50,000 up to \$200,000 to \$300,000 or more. These costs vary substantially depending on the detail and level of breakdown available, the interactive nature of the system, and the compatibility of accounting and revenue systems. The current NebraskaSpending.com system under the State Treasurer's office was implemented for less than \$50,000. However, the searchable aspect of that system limits the searches to payments over \$500,000 and allows queries by month, vendor or payment amount. This level of detail is far less than that listed in LB16 including principal location or residence and descriptive purpose of expenditure and inclusion of income tax refunds and credits excluding overpayment of income tax.

The combination of the additional details and the implementation timeframe of significantly less than one year indicate that the implementation cost would be higher than the \$50,000 level, more likely in the \$100,000 range.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Lyn Heaton	DATE	2/19/09	PHONE	471-2526
COMMENTS					
STATE TREASURER'S OFFICE – The cost for the State Treasurer's Office to comply with the data requirements of the bill are indeterminate as the exact extent and form of the information is not spelled out.					