Doug Gibbs February 10, 2014 402-471-0051

LB 669

Revision: 00 FISCAL NOTE LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)							
	FY 201	4-15	FY 2015-16				
	EXPENDITURES	REVENUE	EXPENDITURES REVENUE				
GENERAL FUNDS		(\$85,000,000)	\$ 0	\$ 0			
CASH FUNDS	\$85,000,000	\$85,000,000					
FEDERAL FUNDS							
OTHER FUNDS							
TOTAL FUNDS	\$85,000,000	\$ 0	\$ 0	\$ 0			

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

LB 669 provides for a transfer from the Cash Reserve Fund to the Property Tax Credit Cash Fund.

The bill amends Section 84-612 to provide for a transfer of \$85,000,000 from the Cash Reserve Fund to the Property Tax Credit Cash Fund on or before December 15, 2014.

The Cash Reserve is actually classified as a subaccount of the General Fund which is why an impact to the General Fund is shown above.

With respect to gain or loss of investment income, as a matter of general practice the Legislative Fiscal Office does not recognize gain or loss of interest income attributed to expenditure or revenue actions of proposed legislation.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES							
LB: <mark>669</mark> AM:	AGENCY/POLT. SUB: Department of Revenue						
REVIEWED BY: Lyn Heaton DATE: 2/13/2014 PHONE: 402.471.4181							
COMMENTS: The Department of Revenue's fiscal note appropriately assumes the \$85 million transfer to the Property Tax							
Credit Cash Fund will be expended. Section 77-4212 provides that for years after 2008 it is the Legislature's intent to fund							
the program using available revenue. The transfer of \$85 million provides revenue to the fund available to be expended							
through the property tax credit program.							

Fiscal Note 2014

State Agency Estimate							
State Agency Name: Department of Revenue Date Due LFA: 1/17/2014							
Approved by: Kim Conroy Date Prepared: Phone: 471-5896							
FY 2014-2015 FY 2015-2016				5-2016	FY 2016-2017		
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue	
General Funds		(\$51,000)		(\$1,173,000)		(\$2,805,000)	
Cash Funds	\$85,000,000	Net \$0					
Federal Funds							
Other Funds							
Total Funds	\$85,000,000	(\$51,000)		(\$1,173,000)		(\$2,805,000)	
-							

LB 669 requires the State Treasurer to transfer \$85 million from the Cash Reserve Fund to the Property Tax Credit Cash Fund on or before December 15, 2014, as directed by the budget administrator of the Department of Administrative Services.

The estimated reduction to General Fund revenues, due to forgone interest on investment, would be as follows.

FY 2014-2015	\$ 51,000
FY 2015-2016	\$ 1,173,000
FY 2016-2017	\$ 2,805,000

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

Major Objects of Expenditure								
Class Code	Classification Title	14-15 <u>FTE</u>	15-16 <u>FTE</u>	16-17 <u>FTE</u>	14-15 <u>Expenditures</u>	15-16 <u>Expenditures</u>	16-17 <u>Expenditures</u>	
Benefits								
Operating Costs								
Capital Outlay								
Aid								
Capital Improvements								
	Total							

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LB ⁽¹⁾ 669					FISCAL NOTE	
State Agency OR Political Subdivision Name: ⁽²⁾ Prepared by: ⁽³⁾ Lyn Heaton		Administrative Services-State Budget Division				
		_ Date Prepared: (4) _ 1/10/2014		Phone: (5)	(402) 471-4181	
ES	TIMATE PROVIDE	<u>D BY STATE AGENO</u>	<u>CY OR POLITICAL</u>	<u>SUBDIVISIC</u>	DN	
	<u>FY 20</u> EXPENDITURES	<u>)14–15</u> <u>REVENUE</u>	EXPENDIT	<u>FY 2015</u> URES	-16 <u>REVENUE</u>	
GENERAL FUNDS	0		0			
CASH FUNDS						
FEDERAL FUNDS						
OTHER FUNDS						
TOTAL FUNDS <u>0</u>			0			

Explanation of Estimate:

The bill provides that the State Treasurer shall transfer \$85 million from the Cash Reserve Fund to the Property Tax Credit Cash Fund on or before December 15, 2014, on such date as directed by the State Budget Administrator.

No operational fiscal impact on the State Budget Division to implement the provisions of the bill as the State Budget Administrator regularly corresponds and coordinates with the State Treasurer's Office relative to the timing and execution of inter-fund transfers.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE							
Personal Services:				_			
	NUMBER OI	F POSITIONS	2014-15	2015-16			
POSITION TITLE	<u>14-15</u>	<u>15-16</u>	EXPENDITURES	EXPENDITURES			
Benefits							
Operating							
Travel							
Capital outlay							
Aid							
Capital improvements							
Capital improvements							
TOTAL			0	0			