Douglas Gibbs March 14, 2018 402-471-0051

## LB 724

## Revision: 01 FISCAL NOTE LEGISLATIVE FISCAL ANALYST ESTIMATE

Revised due to adoption of amendment on General File.

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)							
	FY 2018-19		FY 2019-20				
	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 724, as amended by AM1707, amends the Nebraska County and City Lottery Act, Nebraska Revised Statutes 9-650.

Current statute requires a keno operator to keep keno revenue entirely separated from other sources of revenue. This requirement is met by the sales outlet maintaining separate bank accounts; one for keno and one or more accounts for all other funds. LB 724, as amended, would permit a sales outlet to commingle cash receipts from the sale of keno with all other cash receipts of the sales outlet subject to authorization from the Department of Revenue and subject to the applicable regulations as promulgated by the Department of Revenue.

LB 724, as amended, provides that a sales outlet's keno and non-keno cash receipts may be deposited into the outlet's non-segregated general business account for purposes of an electronic funds transfer. Keno funds must be deposited into the bank account of the keno operator, or the county, city or village no later than five business days following the day such funds were collected. Current regulations requires deposit within four business days following collection.

The Department of Revenue estimates that LB 724 will have no impact on General Fund revenue.

We have no basis to disagree with the Department of Revenue's estimate of fiscal impact.

The Department of Revenue now indicates that there will be minimal costs to implement the provisions of LB 724, as amended.

We have no basis to disagree with the Department of Revenue's estimate of cost.

## LB 724 AM1707

## Fiscal Note 2018

State Agency Esumate								
State Agency Name: Department of	Revenue				Date Due LFA:	3/14/2018		
Approved by: Tony Fulton		Date Prepared:	3/13/2018		Phone: 471-5896			
	FY 2018-2019		<u>FY 2019-2020</u>		FY 2020-2021			
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue		
General Funds		Minimal		Minimal		Minimal		
Cash Funds								
Federal Funds								
Other Funds								
Total Funds		Minimal		Minimal		Minimal		

State A com our Estimate

AM1707 allows a sales outlet to commingle cash receipts from the sale of keno with all other cash receipts of the sales outlet subject to authorization from the department and subject to the applicable regulations as promulgated by the department. AM1707 makes clear that a sales outlet's keno and non-keno cash receipts may be deposited into the sales outlet's non-segregated general business account for purposes of an electronic funds transfer. AM1707 also makes clear that funds generated by keno must be deposited into the bank account of the keno operator, or the county, city, or village no later than five business days following the day the funds were collected.

It is estimated that there will be minimal costs to the Department to implement this bill as amended by AM 1707.

Major Objects of Expenditure									
<u>Class Code</u>	Classification Title	18-19 <u>FTE</u>	19-20 <u>FTE</u>	20-21 <u>FTE</u>	18-19 <u>Expenditures</u>	19-20 <u>Expenditures</u>	20-21 <u>Expenditures</u>		
Benefits	Benefits								
Operating Costs									
Travel									
Capital Outlay									
Capital Improvements									
Total									