Keisha Patent January 17, 2019 402-471-0059

LB 63

Revision: 00 FISCAL NOTE LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)							
	FY 2019	9-20	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 63 amends provisions related to rural and suburban fire protection districts. The bill allows an increase in district board members' compensation from \$25 to \$50 per meeting, up to 12 meetings per year, and, for districts with property tax levy authority under section 77-3442, changes the district's property tax certification date to the county clerk or clerks from August 1 to September 20 of each year.

LB 63 also amends the Mutual Finance Assistance Act to require agreements by mutual finance organizations to:

- Have a duration of at least three years;
- Require that all members levy the same agreed-upon property tax rate within their boundaries for one out of every three tax years covered by the agreement; and
- Require that all members levy no more than the agreed-upon property tax rate for the remaining tax years covered by the
 agreement.

The bill specifies that organizations who fail to levy a tax rate meeting these requirements are disqualified from assistance under the act in the following year and each subsequent year until the tax rate complies.

It is not possible to estimate the fiscal impact of LB 63. It is not possible to determine how many fire districts will choose to increase board member compensation under the permissive language of the bill. It is also not possible to determine how many members of mutual finance organizations will enter into an agreement and decide to levy a tax rate lower than the agreed-upon rate for any of the years of that agreement or how much lower the rate may be. The change in the certification date is expected to have no fiscal impact.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE						
LB: 63	AM:	AGENCY/POLT. SUB: City of Crete				
REVIEWED BY:	Lee Will	DATE: 1/22/2019	PHONE: (402) 471-4175			
COMMENTS: Concur with the City of Crete's assessment of no fiscal impact.						

Fiscal Note 2019

State Agency Estimate							
State Agency Name: Department of Revenue Date Due LFA: 1/18/19							
Approved by: Tony Fulton		Date Prepared:	1/17/19		Phone: 471-5896		
FY 2019-2020 FY 2020-2021				FY 202	21-2022		
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue	
General Funds		\$ 0		\$ 0		\$ 0	
Cash Funds							
Federal Funds							
Other Funds							
Total Funds		\$ 0		\$ 0		\$ 0	

LB 63 amends Neb. Rev. Stat. § 35-1204 to specify what the agreements creating mutual finance organizations (MFO) must contain.

The agreement must have a duration of at least three years, all MFO members must levy the same agreed-upon property tax rate for one out of every three years covered by the agreement, and the MFO members can levy no more than the agreed-upon property tax rate for the remaining years covered by the agreement.

LB 63 also amends Neb. Rev. Stat. § 35-506(3) to increase the amount a rural or suburban fire protection district board member can receive per meeting, from \$25 to \$50, not to exceed twelve meetings in any calendar year.

LB 63 also amends Neb. Rev. Stat. § 35-509 to change the date, from August 1 to September 20 of each year, that the president and secretary of any rural or suburban fire protection district must certify the amount of tax to be levied to the county clerk(s).

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 this bill.

Major Objects of Expenditure									
Class Code	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									
Travel	Travel								
Capital Outlay									
	Capital Improvements								
	Total								

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

LB ⁽¹⁾ 63					FISCAL NOTE
State Agency OR P	olitical Subdivision Name: ⁽²⁾	CITY OF CRETE			
Prepared by: ⁽³⁾	JERRY WILCOX	Date Prepared: ⁽⁴⁾	1/17/19	Phone: (5)	402-826-4313
	ESTIMATE PROVI	DED BY STATE AGEN	ICY OR POLITICAL S	SUBDIVIS	ION
	FY	2019-20		FY 2020	-91
	EXPENDITURES		EXPENDITUR		<u>REVENUE</u>
GENERAL FUNI	DS				
CASH FUNDS					
FEDERAL FUND	OS				
OTHER FUNDS					
TOTAL FUNDS					
			<u></u>		

Explanation of Estimate: NO FISCAL IMPACT

BRI	EAKDOWN BY MAJ	OR OBJECTS C	DF EXPENDITURE	
Personal Services:				
POSITION TITLE	NUMBER OF		2019-20 EXPENDITURES	2020-21 EXPENDITURES
FOSITION TITLE	<u>19-20</u>	<u>20-21</u>	<u>EAFENDITURES</u>	<u>EAFENDITURES</u>
Benefits				
Operating				
Travel				
Capital outlay				
Aid				
Capital improvements				
TOTAL				
101111				<u> </u>

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

LB ⁽¹⁾ 63					FISCAL NOTE		
State Agency OR Po	litical Subdivision Name: ⁽²⁾	Nebraska Association of County Officials (NACO)					
Prepared by: ⁽³⁾	Elaine Menzel	Date Prepared: ⁽⁴⁾	1/14/2019 F	hone: ⁽⁵⁾	(402) 434.5660		
	ESTIMATE PROVI	<u>DED BY STATE AGEN</u>	CY OR POLITICAL S	UBDIVIS	ION		
GENERAL FUND	EXPENDITURES	2019-20 <u>REVENUE</u>	<u>EXPENDITURI</u>	<u>FY 2020-</u> E <u>S</u>	- <u>21</u> <u>REVENUE</u>		
CASH FUNDS FEDERAL FUNDS OTHER FUNDS TOTAL FUNDS	s			_			
				_			

Explanation of Estimate:

LB 63 would authorize a member of the board of a fire district to be paid up to \$50 up from \$25, change the date of certification of the annual tax levy from August 1 to September 20 and require various additional elements within a Mutual Finance Agreement.

There would be no fiscal impact to counties.

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