

Doug Gibbs March 02, 2011 402-471-0051

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *							
	FY 201	1-12	FY 2012-13				
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE			
GENERAL FUNDS		(\$1,350,000)		(\$2,500,000)			
CASH FUNDS							
FEDERAL FUNDS							
OTHER FUNDS							
TOTAL FUNDS		(\$1,350,000)	<u> </u>	(\$2,500,000)			

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

LB 40 amends Nebraska Revised Statute Section 77-2704.12, regarding sales and use tax exemptions for nonprofit health clinics.

Under current language there are two requirements for nonprofit health clinics that must be met in order to receive the sales and use tax exemption. First, they must be owned by two or more hospitals or the parent corporations of the hospitals own or control the health clinic for the purpose of reducing the cost of health services or when the health clinic receives federal funds through the U.S. Public Health Service for the purpose of serving populations that are medically underserved. Second, the health clinic must be licensed under the Health Care Facility Licensure Act.

The bill amends Section 77-2704.12 to change the ownership requirement from owned by two or more hospitals, etc. to owned by one or more hospitals, etc. The second requirement, that the clinic must be licensed under the Health Care Facility Licensure Act, remains in place.

The bill has an operative date of October 1, 2011.

The Department of Revenue estimates the following fiscal impact as a result of LB 40:

FY2011-12: (\$ 1,350,000) FY2012-13: (\$ 2,500,000) FY2013-14: (\$ 2,680,000) FY2014-15: (\$ 2,840,000)

The Department indicates that the cost to implement LB 40 would be minimal.

There is no basis to disagree with the Department of Revenue estimate of fiscal impact and cost.

DEPARTMENT OF ADMINISTRATIVE SERVICES

BELTATIONETT OF ABILITIOE SELECTION							
REVIEWED BY	Lyn Heaton	DATE 3/3/11	PHONE 471-2526				
COMMENTS							
DHHS – Concur. No fiscal impact.							

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LB 40

Fiscal Note

2011

ւեն	ISLATIVE FISC	Al State Agency	Estimate			
State Agency Name: Department					Date Due LFA:	1/18/11
Approved by: Douglas Ewald		Date Prepared:	3/2/11		Phone: 471-5700	
	FY 2011	1-2012	FY 201	2-2013	FY 20	13-2014
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue
General Funds		(\$ 1,350,000)		(\$ 2,500,000)		(\$ 2,680,000)
Cash Funds						
Federal Funds						
Other Funds						
Total Funds		(\$ 1,350,000)		(\$ 2,500,000)		(\$ 2,680,000)

LB 40 provides a sales tax exemption for any nonprofit health clinic when one or more hospitals, or the parent corporations of the hospitals, own or control the health clinic for the purpose of reducing the cost of health services, or when the health clinic receives federal funds through the United States Public Health Service for the purpose of serving populations that are medically underserved.

Currently a sales tax exemption is provided for any nonprofit health clinic when two or more hospitals, or the parent corporations of the hospitals, own or control the health clinic for the purpose of reducing the cost of health services, or when the health clinic receives federal funds through the United States Public Health Service for the purpose of serving populations that are medically underserved.

It is estimated that the costs to the General Fund will be as follows:

FY 2011-12 (\$ 1,350,000)

FY 2012-13 (\$ 2,500,000)

FY 2013-14 (\$ 2,680,000)

FY 2014-15 (\$ 2,840,000)

It is estimated that the costs to the Department to implement this bill would be minimal.

The operative date for LB 40 is October 1, 2011

	Majo	r Objects of I	Expendit	ure			_
Class Code	Classification Title	11-12 <u>FTE</u>	12-13 FTE	13-14 <u>FTE</u>	11-12 Expenditures	12-13 Expenditures	13-14 Expenditures
3enefits				L			
Operating Costs							
Capital Outlay							
otal							

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FISCAL NOTE

LEGISLATIVE FISCAL

2011

	ESTIMATE PROVID	DED BY STATE AGENCY OR PO	OLITICAL SUBDIVISION			
State Agency or Political S	Subdivision Name:(2) Depa	artment of Health and Human	Services			
Prepared by: (3) Willard Bouwens Date Prepared:(4) January 20, 2011		ared:(4) January 20, 2011	Phone: (5) 471-8072			
	FY 2011-2012		FY 2012-2013			
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE		
GENERAL FUNDS						
CASH FUNDS						
FEDERAL FUNDS						
OTHER FUNDS						
TOTAL FUNDS	\$0	\$0	\$0	\$0		
=						
Return by date specified or 72	hours prior to public hearing,	whichever is earlier.				
Explanation of Estimat	te:					
		/ II III III 0				
There is no fiscal impa	act to the Department	of Health and Human S	ervices			
	MA	AJOR OBJECTS OF EXPENDITUR	RE			
PERSONAL SERVICES:		NUMBER OF PC	OSITIONS 2011-2012	2012-2013		
P	OSITION TITLE		12-13 EXPENDITURES	EXPENDITURES		
		······				
				,		
Benefits						
Operating						
Travel						
Capital Outlay						
Aid						
Capital Improvements						
TOTAL						