

Revised due to adoption of amendment on Select File.

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2017-18		FY 2018-19	
	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 72, as amended by AM1404, now amends Nebraska Revised Statutes Section 13-402, regarding the conditions under which a city or village may file for bankruptcy under 11 U.S.C. Chapter 9.

The amended bill provides that a city or village having a defined benefit retirement plan, may not file a petition for bankruptcy if that plan has less than a certain funded ratio of the actuarial value of assets, as follows:

- January 1, 2020 to January 1, 2023: 51.65%
- January 1, 2013 to January 1, 2026: 54.41%
- January 1, 2026 to January 1, 2029: 58.21%
- January 1, 2029 to January 1, 2032: 63.41%
- January 1, 2032 to January 1, 2035: 70.71%
- January 1, 2035 to January 1, 2038: 80.61%
- After January 1, 2038: 90.00%

A city or village that does not have a defined benefit retirement plan may by ordinance affirm that its general obligation bonds be secured by a statutory lien on all ad valorem taxes and that bonds secured by such taxes shall have a first priority lien against all other parties having claims of contract or tort against that city or village.

The bill also requires that the actuary performing actuarial valuations pursuant to this section shall be a member of the American Academy of Actuaries and meet the Academy's qualification standards.

There is no fiscal impact to the state as a result of the provisions of LB 72, as amended by AM1404.