

Updated to reflect all amendments adopted to date.

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2021-22</b>		<b>FY 2022-23</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS		(\$4,060,000)		(\$4,060,000)
CASH FUNDS	\$4,060,000		\$4,060,000	
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$4,060,000</b>	<b>(\$4,060,000)</b>	<b>\$4,060,000</b>	<b>(\$4,060,000)</b>

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

LB 664, as amended, changes provisions related to the Mutual Finance Assistance Fund.

Section 1 adds language to Section 35-1206 to direct that each village or city of the second class that is a mutual finance organization that qualifies for assistance shall receive \$10,000 and each rural or suburban fire protection district that qualifies for assistance shall receive the same, regardless of whether such district is a member of a mutual finance organization that qualifies for assistance.

Currently, the Mutual Finance Assistance program (housed in agency 12 – State Treasurer) receives approximately \$10,000,000 per year from Insurance Premium Tax under section 77-912. Of this amount, \$4,000,000 per year is currently appropriated through the Mutual Finance Assistance program. The unexpended dollars (approximately \$6,000,000 per year) lapse back to the General Fund.

The State Treasurer estimates that the provisions of LB 664, as amended, will result in distribution of an additional \$4,060,000. This will be distributed as Cash Funds and result in a General Fund revenue reduction of \$4,060,000.

These estimates appear to be reasonable.



Please complete ALL (5) blanks in the first three lines.

**2021**

**LB<sup>(1)</sup> 664, AM 303**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> State Treasurer

Prepared by: <sup>(3)</sup> Jason Walters Date Prepared: <sup>(4)</sup> April 7, 2021 Phone: <sup>(5)</sup> 402-471-2793

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2021-22</u>		<u>FY 2022-23</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	<u>4,060,000</u>	_____	<u>4,060,000</u>	_____
<b>TOTAL FUNDS</b>	<u><u>4,060,000</u></u>	<u>_____</u>	<u><u>4,060,000</u></u>	<u>_____</u>

**Explanation of Estimate:**

According to subdivisions (b) and (c) of LB 664, AM 303;

(b) Each village or city of the second class that is a member of a mutual finance organization which qualifies for assistance under section 35-1205 shall receive ten thousand dollars; and

(c) Each rural or suburban fire protection district which qualifies for assistance under section 32-1205 shall receive ten thousand dollars, regardless of whether such district is a member in a mutual finance organization which qualifies for assistance under section 32-1205."

Our records show 232 villages/cities would fall under subdivision (b) and 174 fire protection districts would fall under subdivision (c). A total of 406 villages/cities/fire protection districts would each receive \$10,000.

Money that is distributed to the mutual finance organizations come from the Insurance Tax Fund. Any excess money after distributions are made is returned to the general fund.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22</u>	<u>2022-23</u>
	<u>21-22</u>	<u>22-23</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	<u>4,060,000</u>	<u>4,060,000</u>
Capital improvements.....	_____	_____	_____	_____
<b>TOTAL.....</b>	_____	_____	<u><u>4,060,000</u></u>	<u><u>4,060,000</u></u>