

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2013-14		FY 2014-15	
	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 370 creates the County Property Tax Assistance Program and the Municipal Property Tax Assistance Program.

Both programs would operate in essentially the same manner. The bill refers to an annual General Fund appropriation of an unspecified amount to both programs. The appropriation is to be used by a county or a municipality, respectively, to reduce the amount of property tax they collect by the amount they receive from the program. The Department of Revenue is to distribute aid on or before September 1 of each year.

The amount received is to be determined by a formula, established in Department of Revenue rules and regulations, and is to be based on the total number of residents in a county relative to the total number of residents in the state; or the number of residents per municipality relative to the total number of residents in all municipalities in the state.

The bill provides that any funds received by a county or municipality not used to reduce the amount of property tax shall be repaid to the Department of Revenue.

The bill creates both the County Property Tax Assistance Fund and the Municipal Property Tax Assistance Fund.

The bill has an operative date of July 1, 2013 and contains the emergency clause.

The bill, as written, has no fiscal impact. The fiscal impact would depend solely on the amount of any appropriation by the Legislature and would be a reduction to the General Fund.

IMPACT TO POLITICAL SUBDIVISIONS:

As written, LB 370 has no fiscal impact to counties or municipalities. Fiscal impact would depend solely on the amount of any appropriation by the Legislature and the impact for any individual county or municipality would depend on their portion of population relative to the state's entire population for counties or the total municipal population for municipalities.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 370	AM:	AGENCY/POLT. SUB: Dept. of Revenue	
REVIEWED BY: Lyn Heaton		DATE: 2/25/2013	PHONE: 402.471.4181
<p>COMMENTS: The Dept. of Revenue's analysis appears reasonable. As written, the bill would not result in any fiscal impact as it does not provide for any amount of funding for the programs.</p> <p>Technical Note: The bill provides that the annual General Fund appropriations for each of the two programs created in the bill shall be apportioned as aid to counties and municipalities. However, the bill also creates two cash funds which are to be used to provide the state aid to counties and municipalities. General Fund appropriations are not appropriated to cash funds. Consequently, in order for the aid to be expended, assuming some amount of funding is provided, it would be necessary to correct this apparent conflict by either removing the reference to General Fund appropriations or removing the creation of the cash funds.</p>			

