

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2019-20		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.

Sec. 18-201 currently authorizes municipalities to borrow (with certain limitations) from a financial institution for purchase of real or personal property, construction of improvements, or refinancing of existing indebtedness. LB121 would limit the term for such borrowing to seven years. Sec. 18-201 also provides limitations to the amount of indebtedness from direct borrowing from a financial institution which the respective classes of municipalities are not to exceed. LB121 would amend the existing limitation as it relates to cities of the second class, increasing the limitation from 10 percent to 20 percent of the municipal budget of affected municipalities. Additionally, LB121 qualifies the current borrowing limitations by providing that the amount of any loan which shall be attributable to any year for purposes of the limitation on the total amount of indebtedness from direct borrowing is the total amount of the outstanding loan balance divided by the number of years over which the loan is to be repaid. Fiscal implications for municipalities in regard to the bill's implementation of a seven-year term of years limitation for direct borrowing as well as the change in the direct borrowing limitation amount for cities of the second class will vary by municipality.