

Fiscal Estimate Narratives

DOA 5/15/2006

LRB Number	05-5003/3	Introduction Number	SB-724	Estimate Type	Original
Description Creating a revenue limit for local governmental units, prohibiting the legislature from passing any bill that would exceed a revenue limit, returning excess revenue to taxpayers, elector approval for exceeding the revenue limit, reimbursing the reasonable costs of imposing state mandates, prohibiting the promulgation of certain rules, prohibiting the issuance of certain revenue obligations, and standing to bring a suit to enforce the revenue limits					

Assumptions Used in Arriving at Fiscal Estimate

If enacted, SB-724 would create revenue limits for state and local governmental units, prohibit the legislature from passing any legislation that would exceed a revenue limit, and return excess revenue to taxpayers. It would also make provisions for elector approval in order to exceed revenue limits, reimburse local units of government for the reasonable cost of state imposed mandates including administrative rules, prohibit the issuance of certain types of revenue obligations, restrict the use of segregated fund revenue from being used for purposes other than that for which the fund was set up, and give citizens the standing to bring suit to enforce the local revenue limits in place.

If enacted, this bill has no direct fiscal effect on the Department of Administration.

The fiscal estimate for state and local governmental units is indeterminate. The bill could cause reductions in state aids to localities which in turn could increase local property taxes, but that amount cannot be estimated at this time.

Long-Range Fiscal Implications

Unknown.