

**FISCAL NOTE**

	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
<b>NON-ADMINISTRATIVE IMPACT</b>			
Anticipated Revenue increase			
GENERAL FUND	\$62,412,496	\$63,537,480	\$64,612,472
LOCAL GOVERNMENTS	\$28,040,397	\$28,545,825	\$29,028,792

## Source of revenue increase:

An increase in the state sales and use tax rate from 4 percent to 4.5 percent. From the state General Fund portion of this increase, shown above, the first \$52,500,000 collected each fiscal year will be distributed by the Office of State Lands and Investments to local governments using the formulas provided in the bill. The amount would be distributed half on August 15th and half on January 15th each fiscal year.

The remainder of the General Fund portion in excess of the local government direct distribution amount would remain in the General Fund. This is estimated to be around \$9.9 million in FY 2020, \$11 million in FY 2021, and \$12.1 million in FY 2022.

Local governments would also receive their normal share of the additional one-half percent increase in the sales and use tax which is shown above.

## Assumptions:

The above increases are projected based upon the 2018 aggregate sales and use tax distribution and adjusted by the increases forecasted in the October 2018 CREG Forecast for the measurement period.

At this time, it is believed that any additional Office of State Lands and Investments staff time required by this legislation can be absorbed with current staff.

**NOTICE-AGENCY ESTIMATE OF ADMINISTRATIVE IMPACT REQUESTED**

This bill has administrative impact that appears to increase duties or responsibilities of one or more state agencies and may impact agency spending or staffing requirements. As introduced, the bill does not modify any state agency budget or current personnel authorizations.

The following state agencies will be asked to provide their estimate of the administrative fiscal impact prior to the first committee meeting held to consider the bill:

Department of Revenue

Prepared by: Matthew Sackett, LSO Phone: 777-7881  
(Information provided by Amanda Sewell, Office of State Lands and Investments, 777-7028; Terri Lucero, Department of Revenue, 777-5220)