

**EXECUTIVE AGENCY  
FISCAL NOTE**

AGENCY'S ESTIMATES

Date Prepared: February 6, 2017

Agency Submitting: Business and Industry

<b>Items of Revenue or Expense, or Both</b>	<b>Fiscal Year 2016-17</b>	<b>Fiscal Year 2017-18</b>	<b>Fiscal Year 2018-19</b>	<b>Effect on Future Biennia</b>
Bond (Revenue)	\$30,352,000	(\$30,532,000)	(\$30,532,000)	(\$61,064,000)
Total	\$30,352,000	(\$30,532,000)	(\$30,532,000)	(\$61,064,000)

Explanation

(Use Additional Sheets of Attachments, if required)

This bill will have a dramatic impact on the Department of Business and Industry and the ability of the State's to create revenue bonds for economic development. The bill would remove \$15,266,000 from the B&I Director's Office that could be used to issue economic development bonds. B&I is the State's conduit issuer for many types of Industrial Revenue Bonds, Private Activity Bonds, Charter School Bonds, public infrastructure bonds, etc. Similarly, it takes \$15,266,000 out of the annual bond capacity that we provide to Cities and Counties by population percentage. The Legislature would be funding a quasi-governmental agency that is not part of the transparent State budget process and is outside the scope of the State audit process. As interest rates are beginning to rise, the use of bonds will once again grow commensurate with interest rate increases and these funds will be a primary tool in economic development.

Name Bruce Breslow

Title Department Director

DEPARTMENT OF ADMINISTRATION'S COMMENTS

Date Friday, January 27, 2017

The agency's response appears reasonable.

Name Laura E. Freed

Title Executive Branch Budget Office

## PRIVATE ACTIVITY BOND VOLUME CAPS FOR 2016 AND 2017

State	POPULATION		VOLUME CAP*			
	2015 Population Original	2015 Population Revised	2016 Population	2016 Volume Cap	2017 Volume Cap	% Change
Alabama	4,858,979	4,853,875	4,863,300	\$485.90	\$486.30	0.08%
Alaska	738,432	737,709	741,894	\$302.88	\$305.32	0.81%
Arizona	6,828,065	6,817,565	6,931,071	\$682.81	\$693.11	1.51%
Arkansas	2,978,204	2,977,853	2,988,248	\$302.88	\$305.32	0.81%
California	39,144,818	38,993,940	39,250,017	\$3,914.48	\$3,925.00	0.27%
Colorado	5,456,574	5,448,819	5,540,545	\$545.66	\$554.05	1.54%
Connecticut	3,590,886	3,584,730	3,576,452	\$359.09	\$357.65	-0.40%
Delaware	945,934	944,076	952,065	\$302.88	\$305.32	0.81%
District of Columbia	672,228	670,377	681,170	\$302.88	\$305.32	0.81%
Florida	20,271,272	20,244,914	20,612,439	\$2,027.13	\$2,061.24	1.68%
Georgia	10,214,860	10,199,398	10,310,371	\$1,021.49	\$1,031.04	0.93%
Hawaii	1,431,603	1,425,157	1,428,557	\$302.88	\$305.32	0.81%
Idaho	1,654,930	1,652,828	1,683,140	\$302.88	\$305.32	0.81%
Illinois	12,859,995	12,839,047	12,801,539	\$1,286.00	\$1,280.15	-0.45%
Indiana	6,619,680	6,612,768	6,633,053	\$661.97	\$663.31	0.20%
Iowa	3,123,899	3,121,997	3,134,693	\$312.39	\$313.47	0.35%
Kansas	2,911,641	2,906,721	2,907,289	\$302.88	\$305.32	0.81%
Kentucky	4,425,092	4,424,611	4,436,974	\$442.51	\$443.70	0.27%
Louisiana	4,670,724	4,668,960	4,681,666	\$467.07	\$468.17	0.24%
Maine	1,329,328	1,329,453	1,331,479	\$302.88	\$305.32	0.81%
Maryland	6,006,401	5,994,983	6,016,447	\$600.64	\$601.64	0.17%
Massachusetts	6,794,422	6,784,240	6,811,779	\$679.44	\$681.18	0.26%
Michigan	9,922,576	9,917,715	9,928,300	\$992.26	\$992.83	0.06%
Minnesota	5,489,594	5,482,435	5,519,952	\$548.96	\$552.00	0.55%
Mississippi	2,992,333	2,989,390	2,988,726	\$302.88	\$305.32	0.81%
Missouri	6,083,672	6,076,204	6,093,000	\$608.37	\$609.30	0.15%
Montana	1,032,949	1,032,073	1,042,520	\$302.88	\$305.32	0.81%
Nebraska	1,896,190	1,893,765	1,907,116	\$302.88	\$305.32	0.81%
Nevada	2,890,845	2,883,758	2,940,058	\$302.88	\$305.32	0.81%
New Hampshire	1,330,608	1,330,111	1,334,795	\$302.88	\$305.32	0.81%
New Jersey	8,958,013	8,935,421	8,944,469	\$895.80	\$894.45	-0.15%
New Mexico	2,085,109	2,080,328	2,081,015	\$302.88	\$305.32	0.81%
New York	19,795,791	19,747,183	19,745,289	\$1,979.58	\$1,974.53	-0.26%
North Carolina	10,042,802	10,035,186	10,146,788	\$1,004.28	\$1,014.68	1.04%
North Dakota	756,927	756,835	757,952	\$302.88	\$305.32	0.81%
Ohio	11,613,423	11,605,090	11,614,373	\$1,161.34	\$1,161.44	0.01%
Oklahoma	3,911,338	3,907,414	3,923,561	\$391.13	\$392.36	0.31%
Oregon	4,028,977	4,024,634	4,093,465	\$402.90	\$409.35	1.60%
Pennsylvania	12,802,503	12,791,904	12,784,227	\$1,280.25	\$1,278.42	-0.14%
Rhode Island	1,056,298	1,055,607	1,056,426	\$302.88	\$305.32	0.81%
South Carolina	4,896,146	4,894,834	4,961,119	\$489.61	\$496.11	1.33%
South Dakota	858,469	857,919	865,454	\$302.88	\$305.32	0.81%
Tennessee	6,600,299	6,595,056	6,651,194	\$660.03	\$665.12	0.77%
Texas	27,469,114	27,429,639	27,862,596	\$2,746.91	\$2,786.26	1.43%
Utah	2,995,919	2,990,632	3,051,217	\$302.88	\$305.32	0.81%
Vermont	626,042	626,088	624,594	\$302.88	\$305.32	0.81%
Virginia	8,382,993	8,367,587	8,411,808	\$838.30	\$841.18	0.34%
Washington	7,170,351	7,160,290	7,288,000	\$717.04	\$728.80	1.64%
West Virginia	1,844,128	1,841,053	1,831,102	\$302.88	\$305.32	0.81%
Wisconsin	5,771,337	5,767,891	5,778,708	\$577.13	\$577.87	0.13%
Wyoming	586,107	586,555	585,501	\$302.88	\$305.32	0.81%
Puerto Rico	3,474,182	3,473,181	3,411,307	\$347.42	\$341.13	-1.81%
<b>TOTAL</b>	<b>324,893,002</b>	<b>324,369,799</b>	<b>326,538,820</b>	<b>\$32,489.30</b>	<b>\$35,687.56</b>	<b>9.84%</b>

\*Dollars in millions

Note: The 2017 cap for each state is based on the greater of \$305.32 million or \$100 multiplied by the state's population for 2016, while the 2016 cap was based on the greater of \$302.88 million or \$100 multiplied by the state's population for 2015 as originally reported in December of that year.

Sources: Internal Revenue Service and U.S. Census Bureau

**Nevada Department of Business and Industry**  
**Schedule Supporting Fiscal Note for SB5**

<b>2017 Private Activity Bond Volume Cap *</b>	<b>% Restricted for Nevada Rural Housing Authority Per SB5</b>	<b>Private Activity Volume Cap Bonding Authority</b>	<b>Notes</b>
\$ 305,320,000	5%	\$ 15,266,000	Bonding Authority removed for Economic Development Bonds from the Director of B & I
\$ 305,320,000	5%	\$ 15,266,000	Bonding Authority removed from the Cities and Counties for statewide eligible bonding purposes
<b>Totals</b>	<b>10%</b>	<b>\$ 30,532,000</b>	Total Bonding Authority restricted by purpose and geography
		<b>\$ 61,064,000</b>	<b>Impact for 2 years</b>

Note: Estimated impact to bonding capacity is based upon the published Internal Revenue Service and U.S. Census Bureau numbers for 2017 and is calculated to be the same for both fiscal years of the Biennia

*\*Source: Internal Revenue Service and U.S. Census Bureau (See excerpt from the Bond Buyer attached)*