

**EXECUTIVE AGENCY
FISCAL NOTE**

AGENCY'S ESTIMATES

Date Prepared: February 6, 2017

Agency Submitting: Business and Industry, Nevada Housing Division

Items of Revenue or Expense, or Both	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19	Effect on Future Biennia
Issuer Fees (Revenue)	\$75,000	(\$75,000)	(\$150,000)	(\$225,000)
Total	\$75,000	(\$75,000)	(\$150,000)	(\$225,000)

Explanation

(Use Additional Sheets of Attachments, if required)

There is \$305,320,000 in private activity volume cap for 2017 and the BDR language would result in \$30,532,000 of debt authority being restricted both in terms of geographic location and purpose. Nevada Rural Housing Authority by statute is only able to administer programs in cities and towns less than 150,000 in population. This results in a loss of debt authority available for state-wide multi-family, single-family, economic development, student loans and other eligible tax-exempt bond purposes. If there was not sufficient private activity volume cap available due to the 10% set aside, the Housing Division would lose the ability to issue bonds supporting affordable housing opportunities. The fiscal impact of the reduced bonding capacity would be decreased issuer fees. For each \$1 million in outstanding bonds, the Housing Division earns an estimated \$2,500 in issuer fees each year. (For example, based upon \$30 million of bonds issued this would equate to \$75,000 for one year). These revenues support the overhead costs of operating the agency and carrying out initiatives such as homebuyer programs for teachers and veterans as well as providing financial support to construct and preserve affordable rental apartment developments.

Name CJ Manthe

Title Administrator

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