

**LOCAL GOVERNMENT
FISCAL NOTE**

AGENCY'S ESTIMATES

Date Prepared: February 27, 2017

Agency Submitting: Local Government

Items of Revenue or Expense, or Both	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19	Effect on Future Biennia
Total	0	0	0	0

Explanation

(Use Additional Sheets of Attachments, if required)

See attached.

Name Michael Nakamoto

Title Deputy Fiscal Analyst

The following responses from local governments were compiled by the Fiscal Analysis Division. The Fiscal Analysis Division can neither verify nor comment on the figures provided by the individual local governments.

Local Government Responses
A.B. 120 / BDR 34 - 779

City/County: Carson City Approved by: Nancy Paulson, CFO Comment: No fiscal impact to Carson City.				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: Churchill County Approved by: Eleanor Lockwood, County Manager Comment: The passage of this Bill should have no fiscal impact on the County of Churchill.				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: Clark County Approved by: David Dobrzynski, Asst. Director of Finance Comment: This bill would make changes to provisions relating to school construction in counties other than Clark County. No fiscal impact to Clark County.				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: Esmeralda County Approved by: LaCinda Elgan, Clerk Comment: no comments				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: Humboldt County Approved by: Gina Rackley, Comptroller Comment: No Impact				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: **Washoe County**

Approved by: Jamie Rodriguez, Government Affairs

Comment: There would be a fiscal impact in terms of staff time to implement. However we are unable to determine an exact amount at this time.

Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Has Impact	\$0	\$0	\$0	\$0

City/County: **White Pine County**

Approved by: Elizabeth Frances, Finance Director

Comment: This will require additional administrative and fiscal time by the County to oversee the collection of taxes and distribution of the funds. A reasonable estimate of the amount cannot be made at this time but it should be minimal.

Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Has Impact	\$0	\$0	\$0	\$0

School District: **Carson City School District**

Approved by: Andrew J Feuling, Director of Fiscal Services

Comment: This would finally give the school district some significant leverage in negotiations with developers and create revenue source that Carson City is specifically left out of with the 55,000 population limit on Residential Construction Tax (we are estimated to be at 55,192). This would help us immensely in dealing with very real costs associated with coming growth and the significant capacity issues we already face. By allowing the district more time to use the land purchased allows for us to weather the boom and bust cycles that may impede growth for a number of years. This bill would be of significant benefit to all districts in the State as long as it is not offset by another bill increasing construction expenses.

Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Has Impact	\$0	\$350,000	\$500,000	\$500,000

School District: **Clark County School District**

Approved by: Dillon Kay, Assistant Budget Director

Comment: If passed and if the County Commissioners impose the tax, then this bill would generate new tax revenue for CCSD. CCSD could experience \$2.4M to \$4.8M for furniture and equipment and to support the construction and remodeling of schools. The \$4.8M would be based on 3,000 permits at \$1,600 each and the \$2.4M would be based on 3,000 permits at \$800.00 each.

Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Has Impact	\$0	\$2,400,000	\$2,400,000	\$2,400,000

School District: **Douglas County School District**

Approved by: Twhite, Superintendent

Comment: The impact of this bill is Difficult to calculate, but could mean as much as \$320,000 for a 200 unit project. It is also favorable as it will make funds available for modernization projects to include the ability to use the funds for capital outlay not previously permitted in the law.

Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Has Impact	\$0	\$0	\$0	\$0

School District: **Lincoln County School District**

Approved by: Pam Teel, Superintendent

Comment: Admin time to provide plan and expenses to board and to commissioners.

Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$2,250	\$2,250	\$2,250	\$2,250

School District: **Lyon County School District**

Approved by: Shawn Heusser, Director of Finance

Comment: No Impact

Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

School District: **Nye County School District**

Approved by: Kelly Wood, Executive Secretary

Comment: No fiscal impact for Nye County School District.

Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

School District: **Pershing County School District**

Approved by: Russell D. Fecht, Superintendent

Comment: Cannot determine at this time.

Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: **Washoe County School District**

Approved by: Lindsay E. Anderson, Director of Government Affairs

Comment: At this point, the Washoe County School District does not intend to ask for the imposition of the residential construction tax so we would not expect an impact.

Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

School District: **White Pine School District**

Approved by: Paul Johnson, CFO

Comment: The impact of the residential construction tax on 5 residential dwelling units is helpful but does not generate much revenue. The residential construction tax on these units would generate \$8,000 of revenue. Although every little bit helps, \$8,000 does not buy much especially when you consider that the capital threshold for one asset is \$5,000. This means a school district could buy less than 2 assets with the revenue generated from the residential construction tax on 5 dwelling units. Unless the families that move into these facilities have students with severe special education needs, the impact to operations from 5 families would be nominal. Although the capital revenue would be helpful, it would be nominal which would be the case with most per capita taxes in small, rural areas. In addition, smaller areas struggle with economic development and are trying to identify incentives that may trigger growth. Implementing a tax on new construction may be perceived as an obstacle and may adversely affect development. If the homes sell for \$250,000 each, assessed values would increase by approximately \$437,500 and the school district, general fund property taxes would be approximately \$3,281 per year. The estimate for this fiscal note illustrates the residential construction tax on a 5 unit subdivision; however, there has not been a subdivision in White Pine County for over 2 decades. The probability of this tax happening in the foreseeable future is slim. Property owners have circumvented the subdivision requirements by parceling property into 4 parcels and it seems this BDR would provide more of incentive to continue this practice.

Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Has Impact	\$0	\$8,000	\$0	\$8,000

The following counties/school districts did not provide a response: Elko County, Douglas County, Eureka County, Lander County, Lyon County, Lincoln County, Mineral County, Pershing County, Nye County, Storey County, Churchill County School District, Elko County School District, Esmeralda County School District, Eureka County School District, Lander County School District, Humboldt County School District, Mineral County School District, and Storey County School District.