

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2017-18		FY 2018-19	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	2,000,000	See below	2,000,000	See below
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	2,000,000	See below	2,000,000	See below

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB 641 would establish a Bioscience Innovation Program under the Business Innovation Act, administered by the Department of Economic Development. A Bioscience Innovation Cash Fund would be created to receive transfers and other sources of revenue for the program, and to pay up to \$2,000,000 per year in funding assistance and related administrative costs.

LB 641 provides that reappropriated funding for the Business Innovation Act shall be credited to the Bioscience Innovation Cash Fund on July 1 of each year. Assuming that \$2,000,000 in unencumbered and reappropriated Business Innovation Act funds were available at the beginning of each fiscal year, costs would come from an internal reallocation of funds. If the unencumbered and reappropriated Business Innovation Act funds did not total \$2,000,000 in any one year, the Bioscience Innovation Cash Fund would either receive less revenue, or transfers in from other sources would need to be authorized by the legislature.

Section 5 of LB 641 establishes legislative intent that \$2,000,000 be appropriated Bioscience Innovation Cash Fund in FY17-18 and FY18-19. In addition, specific transfer language would be necessary to give the Department of Economic Development the authority to request that the State Treasurer reallocate reappropriated funds.

ADMINISTRATIVE SERVICE STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 641	AM:	AGENCY/POLT. SUB: Dept of Economic Development	
REVIEWED BY: Gary Bush	DATE: 1/26/17	PHONE: (402) 471-4161	
COMMENTS: Concur.			

Please complete ALL (5) blanks in the first three lines.

2017

LB⁽¹⁾ 641

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Dept. of Economic Development

Prepared by: ⁽³⁾ Courtney Dentlinger Date Prepared: ⁽⁴⁾ 1/20/2017 Phone: ⁽⁵⁾ 402-471-3777

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2017-18</u>		<u>FY 2018-19</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	<u>(See Below)</u>	=====	<u>(See Below)</u>

Explanation of Estimate:

LB 641 creates the Bioscience Innovation Cash Fund in the Department of Economic Development. The bill would provide assistance to bioscience-related businesses under the Business Innovation Act (BIA). The total annual increase in the BIA available for biosciences grants is \$2 million, and qualifying bioscience businesses would be required to provide a 100% match.

LB 641, as drafted, requires that funds be re-appropriated to the new Bioscience Innovation Cash Fund each July 1. Since a General Fund appropriation exists in current law and no transfer provision is contained within the bill, the bill as drafted would have no impact.

The Department of Economic Development anticipates minimal costs associated with the provisions of LB641, and could accomplish this within the current appropriation.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2017-18 EXPENDITURES</u>	<u>2018-19 EXPENDITURES</u>
	<u>17-18</u>	<u>18-19</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____