

PREPARED BY: Clinton Verner
 DATE PREPARED: February 8, 2022
 PHONE: 402-471-0056

LB 1202

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2022-23		FY 2023-24	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS	\$5,000,000			
OTHER FUNDS				
TOTAL FUNDS	\$5,000,000			

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

LB1202 appropriates \$5,000,000 of Federal Funds pursuant to the American Rescue Plan Act for the purpose of offsetting revenue loss to professional teams and sets definitions.

As there are anticipated to be few qualified applicants under this legislation, DED anticipates little administrative burden resulting from this legislation.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 1202	AM:	AGENCY/POLT. SUB: Department of Economic Development	
REVIEWED BY: Patrick Redmond	DATE: 2/9/2022	PHONE: (402) 471-4181	
COMMENTS: No basis to disagree with the Department of Economic Development assessment of no fiscal impact from LB 1202.			

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

2022

LB⁽¹⁾ 1202

FISCAL NOTE

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

Prepared by: ⁽³⁾ Dave Dearmont Date Prepared: ⁽⁴⁾ 2/1/2022 Phone: ⁽⁵⁾ 402-471-3777

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2022-23</u>		<u>FY 2023-24</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

LB1202 would appropriate \$5 million to DED for FY2022-23 for the provisions of a grant to any Nebraska-based professional soccer team or professional baseball team affiliated with the Major League Baseball organization to offset revenue losses and other costs associated with the impact of the COVID-19 public health emergency.

The funds appropriated are from the funds allocated to the State of Nebraska from the federal Coronavirus State Fiscal Recovery Fund. As such, any award of a grant pursuant to this legislation by DED must be in compliance with the federal American Rescue Plan Act of 2021.

LB1202 would result in additional responsibilities for DED. DED would need to develop, implement, and provide the necessary monitoring required to comply with federal statutes and regulations related to the provision of grants to the indicated beneficiaries. This would require adequate staffing and infrastructure to support the program throughout the grant program’s lifecycle. The grant program developed under LB1202 would require appropriate staffing and infrastructure to support the grant program through at least 12/31/27 and potentially record retention support through 12/31/2031.

DED believes that to the extent qualifying applicants exist, and would be considered beneficiaries, rather than sub-recipients under ARPA, there would likely be few qualifying applicants and the provisions of LB1202 could be accomplished within current resources and staff.

Technical Note: Small businesses eligible for assistance are those that experienced negative economic impacts or disproportionate impacts of the pandemic and meet the definition of “small business” set forth by Treasury. The sports teams designated to receive aid under LB1202 must have no more than 500 employees, or if applicable, the size standard in number of employees established by the Administrator of the Small Business Administration for the industry in which the business concern or organization operates; and are a small business concern as defined in section 3 of the Small Business Act which includes, among other requirements, that the business is independently owned and operated and is not dominant in its field of operation. Additionally, the teams will need to demonstrate that it experienced an economic harm due to COVID-19 for which assistance under this program would be a “related and reasonably proportional” response to the harm it experienced.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2022-23</u>	<u>2023-24</u>
	<u>22-23</u>	<u>23-24</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				