

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2023-24</b>		<b>FY 2024-25</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

LB462 would amend the Middle Income Workforce Housing Act in the following ways:

- Change the definition of workforce housing to owner-occupied housing units that cost not more than three hundred fifty thousand dollars to construct;
- Owner-occupied housing units for which the cost of post-rehabilitation of the building alone is at least one hundred twenty-five thousand dollars but not more than two hundred seventy-five thousand dollars
  - o For purposes of owner-occupied housing units that are being rehabilitated, housing unit after-construction appraised value shall be updated annually by the Department of Economic Development based upon the most recent increase or decrease in the Producer Price Index for all commodities.

This legislation would allow higher-cost housing construction projects to qualify under the act. This would have no fiscal impact, though may reduce the number of projects awarded as the award cap is increased.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 462	AM:	AGENCY/POLT. SUB: Department of Economic Development	
REVIEWED BY: Neil Sullivan	DATE: 2/22/2023	PHONE: (402) 471-4179	
COMMENTS: The Department of Economic Development assessment of minimal fiscal impact from LB 462 appears reasonable.			

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

**2023**

**LB<sup>(1)</sup> 462**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Department of Economic Development

Prepared by: <sup>(3)</sup> Dave Dearmont Date Prepared: <sup>(4)</sup> 1/30/2023 Phone: <sup>(5)</sup> 402-471-3777

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2023-24</u>		<u>FY 2024-25</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:**

LB462 redefines 'workforce housing' to owner-occupied housing units that cost no more than \$330,000 to construct OR owner-occupied housing units for which the cost to substantially rehabilitate such units exceeds 50% of a unit's before-construction assessed value and the after-construction appraised value of the building is at least \$125,000. These amounts are to be updated annually according to the Producer Price Index of all commodities.

LB462 would result in minimal costs for administration, and DED can perform the duties issued under LB462 with current resources and staff.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2023-24</u>	<u>2024-25</u>
	<u>23-24</u>	<u>24-25</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____