

PREPARED BY: Clinton Verner
 DATE PREPARED: January 04, 2024
 PHONE: 402-471-0056

LB 897

Revision: 00

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2024-25		FY 2025-26	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$20,000,000			
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$20,000,000			

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

LB897 appropriates \$20,000,000 from the General Fund to the Department of Economic Development for the purpose of the Rural Workforce Housing Investment Act. There is an aid earmark and an emergency clause on the bill. LB897 is earmarked entirely for aid and has no administrative cost.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 897	AM:	AGENCY/POLT. SUB: Department of Economic Development	
REVIEWED BY: Neil Sullivan	DATE: 2/8/2024	PHONE: (402) 471-4179	
COMMENTS: The Department of Economic Development assessment of fiscal impact from LB 897 appears reasonable.			

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

2024

LB⁽¹⁾ 897

FISCAL NOTE

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

Prepared by: ⁽³⁾ Dave Dearmont Date Prepared: ⁽⁴⁾ 1/29/2024 Phone: ⁽⁵⁾ 402-471-3777

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2024-25</u>		<u>FY 2025-26</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$5,000,000		\$15,000,000	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$5,000,000		\$15,000,000	

Explanation of Estimate:

LB897 would appropriate \$20 million from the General Fund in fiscal year 2023-24 to DED to provide grants under the Rural Workforce Housing program.

DED believes the total \$20 million will be distributed approximately 25 percent in FY2024-25 and 75 percent in FY2025-26.

The Department estimates a need for two (2) additional staff members, including one (1) Economic Development Manager position and one (1) Economic Development Consultant II position, for the administration of these funds. Operating costs include \$28,417 annually for software and licenses for grant management software and \$4,479 for additional leased office space.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25</u>	<u>2025-26</u>
	<u>24-25</u>	<u>25-26</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
G49550 Economic Development Manager	0.75	1.0	\$54,480	\$76,640
A49012 Economic Development Consultant II	0.5	0.5	\$34,240	\$34,240
Benefits.....			\$31,050	\$37,410
Operating.....			\$55,100	\$60,950
Travel.....			\$8,870	\$11,050
Capital Outlay.....			\$17,200	\$0
Aid.....			\$4,799,060	\$14,783,710
Capital Improvements.....			\$0	\$0
TOTAL.....			\$5,000,000	\$15,000,000