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PREPARED BY: Jeanne Glenn
DATE PREPARED: February 07, 2011
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LB 345

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2011-12		FY 2012-13	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	See below	See below	See below	See below
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below	See below	See below	See below

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 345 would establish the Economic Gardening Technical Assistance Act. The Department of Economic Development (DED) would be directed to establish a statewide pilot program to support and assist up to 40 Nebraska-based growth businesses.

LB 345 states in legislative intent that reallocations of \$200,000 General Funds appropriated in FY11-12 and \$175,000 General Funds appropriated in FY12-13 for the purpose of providing Community Development Assistance Act tax credits be carried out to provide funding for the Economic Gardening Technical Assistance Act. LB 345 would also reduce the cap on the Community Development Assistance Act tax credit program from \$350,000 to \$200,000 in FY11-12 and FY12-13.

Assuming that the intent of LB 345 is to offset General Fund expenditures required for the program by lowering the limit on Community Development Assistance Tax credits and reducing the potential General Fund revenue loss, then the net impact of the program would be \$50,000 General Funds in FY11-12 (\$200,000 General Fund appropriation offset by \$150,000 revenue savings) and \$25,000 in FY12-13 (\$175,000 General Fund appropriation offset by \$150,000 revenue savings.)

It is estimated that DED could carry out this grant program using existing agency staff. There would be no fiscal impact beyond FY12-13, as the provisions of LB 345 would terminate on January 1, 2013.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Gary Bush	DATE	1/26/11	PHONE	471-2526
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COMMENTS

DEPARTMENT OF ECONOMIC DEVELOPMENT: Concur.
DEPARTMENT OF REVENUE: Agency's estimates appear to be reasonable.

RECEIVED

FEB 07 2011

LEGISLATIVE COUNCIL

LB 345

Fiscal Note 2011

State Agency Estimate

State Agency Name: Department of Revenue Date Due LFA: 1/21/2011
Approved by: Douglas Ewald Date Prepared: 2/1/2011 Phone: 471-5700

Table with columns for FY 2011-2012, FY 2012-2013, and FY 2013-2014, each subdivided into Expenditures and Revenue. Rows include General Funds, Cash Funds, Federal Funds, Other Funds, and Total Funds.

LB 345 adopts the Economic Gardening Technical Assistance Act, establishing a technical assistance program for Nebraska-based businesses that have between five and fifty employees and \$500,000 and \$2.5 million in annual revenue.

LB 345 includes intent language to reallocate funds not yet appropriated for the Community Development Assistance Act for purposes of funding the Economic Gardening Technical Assistance Act. LB 345 caps the total amount of tax credits available under the Community Development Assistance Act at \$200,000 for FY2011-12 and FY2012-13.

The bill contains the emergency clause, and the Economic Gardening Technical Assistance Act terminates January 1, 2013.

LB 345 has no General Fund revenue impact, as it reallocates an appropriation, and does not affect the tax credit for contributions to certified community betterment programs as provided in the Community Development Assistance Act.

The Department will have no costs to implement LB 345.

Major Objects of Expenditure

Table with columns for Class Code, Classification Title, and FTE/Expenditures for years 11-12, 12-13, and 13-14. Rows include Benefits, Operating Costs, Travel, Capital Outlay, Aid, Capital Improvements, and Total.