

PREPARED BY: Jeanne Glenn
 DATE PREPARED: May 19, 2015
 PHONE: 402-471-0056

LB 175

Revision: 02

Revised based upon Select File amendments.

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2015-16		FY 2016-17	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				(500,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				(500,000)

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

As amended, the fiscal impact of LB 165 would include:

Revisions in the Nebraska Advantage Rural Development Act -- LB 175 would amend the statutory maximum for credits approved under the Nebraska Advantage Rural Development Act. Currently, the statutory limit for approved projects is \$1,000,000 annually. Under the provisions of LB 175, the statutory limits for applications filed in calendar year 2016 would be: 1) \$1,000,000 for projects described under subsection (1) of section 77-27,188 and 2) for projects authorized under subsection (2) of 77-27,188, the limit would be \$500,000 for calendar year 2016, \$750,000 for calendar years 2017 and 2018, and \$1,000,000 for calendar year 2019 and thereafter. LB 175 would also establish a new statutory maximum grant for projects approved under subsection (2) of 77-27,188.

If the revised tax credits were fully utilized by approved projects, it is possible that up to \$500,000 in decreased General Fund revenue would occur in calendar year 2016, with the revenue loss first occurring in FY16-17. In subsequent years, the potential General Fund revenue loss would increase based upon the schedule as shown above.

Grant program and Livestock Growth Act Cash Fund – LB 175 would establish the Livestock Growth Act Cash Fund and permit the Department of Agriculture to award grants to assist counties that have been designated as a livestock friendly county. Grants could be awarded for strategic planning costs, or for improvements to public infrastructure. Costs for the grants would be paid from the Livestock Growth Act Cash Fund. As amended, LB 175 does not designate a funding source for the Livestock Growth Act Cash Fund. Absent a funding source, there would be no expenditures from the cash fund.

Community Gardens Act – Amendments adopted to LB 175 would establish the Community Gardens Act. The Department of Agriculture would be required to establish a community gardens task force on or before August 1, 2015, to identify and develop ways to encourage state agencies, municipalities and individuals to establish and expand community gardens. The task force would be required to issue a preliminary report no later than December 15, 2015 and a final report on December 15, 2016. It is anticipated that the agency could carry out this function using existing budgetary and staff resources.

The Community Gardens Act would also allow a state agency or municipality having title to vacant public land to consider the location of a community garden on such property. It is estimated that there would not be a significant fiscal impact to a state agency or a municipality as a result of this provision.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 544	AM:	AGENCY/POLT. SUB: Nebraska Department of Agriculture	
REVIEWED BY: Cindy Miserez		DATE: 02/20/2015	PHONE: 402-471-4174
COMMENTS: I concur with the Nebraska Department of Agriculture's statement of fiscal impact for LB544.			

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

2015

LB⁽¹⁾ LB 544

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Department of Agriculture

Prepared by: ⁽³⁾ Robert Storant

Date Prepared: ⁽⁴⁾ 2/19/15

Phone: ⁽⁵⁾ 402-471-6821

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2015-16</u>		<u>FY 2016-17</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:

LB 544 creates an exemption for seed libraries under the Nebraska Seed Law and adopts the Community Gardens Act. Under the Nebraska Seed Law, the bill defines a seed library and amends the definition of sale, barter or exchange. The amendment to the definition of sale adds an element of uncertainty in enforcing the Act.

Under the Community Gardens Act, the Department shall establish a community gardens task force on or before August 1, 2015, to identify and develop ways to encourage the State, municipalities, and individuals to establish and expand community gardens. The bill provides a guideline of what should be studied and evaluated as part of the preliminary report to the Legislature due no later than December 15, 2015, and a final report due no later than December 15, 2016.

The Department would assign an existing Ag Promotion Coordinator to oversee and work with the task force in coordinating meetings and assist in compiling the preliminary and final report. No expenses are allowed under the proposed bill for the task force.

There would be minimal fiscal impact to the Department.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2015-16</u>	<u>2016-17</u>
	<u>15-16</u>	<u>16-17</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____