

Revised to include fund cash flow information.

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2018-19		FY 2019-20	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	2,000,000	See below	2,000,000	See below
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	2,000,000	See below	2,000,000	See below

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

LB 940 would amend definitions in the Civic and Community Center Financing Act and would expand grant limitations established under the act. The minimum grant application amount would be increased from \$10,000 to \$15,000. Limitations for facility-related grants under Section 13-2704.01 would be amended as follows:

<u>Municipality size</u>	<u>Current grant limit</u>	<u>LB 940 proposed grant limit</u>
Primary class	\$1,500,000	\$2,250,000
More than 40,000 and less than 100,000	\$750,000	\$1,125,000
More than 20,000 and less than 40,000	\$500,000	\$750,000
More than 10,000 and less than 20,000	\$400,000	\$600,000
Less than 10,000	\$250,000	\$375,000

Engineering and technical assistance grant limit would be increased from the current limit of \$2,000 to \$10,000 to \$3,000 to \$15,000. Current law provides that grant limits may increase if the balance of the fund is \$2,500,000, but not below \$1,000,000. LB 940 would amend this range to \$3,750,000 but not below \$1,500,000. When the fund balance met those guidelines, grant limits would be as follows:

<u>Municipality size</u>	<u>Current grant limit</u>	<u>LB 940 proposed grant limit</u>
Primary class	\$2,250,000	\$3,375,000
More than 40,000 and less than 100,000	\$1,125,000	\$1,687,000
More than 20,000 and less than 40,000	\$750,000	\$1,125,000
More than 10,000 and less than 20,000	\$600,000	\$900,000
Less than 10,000	\$375,000	\$562,000

LB 940 would also specify that municipalities shall not sell and facility that received grant fund for at least five years, and that the Department of Economic Development give priority to applications from municipalities that have not received a facility grant within in the last ten years.

LB 940 would not change the amount of revenue anticipated to flow into the Civic and Community Center Financing Fund, but may increase the total amount of grants requested and the size of grants awarded to eligible communities. Currently, the appropriation to the fund is \$2,501,371, although revenue for FY17-18 and future years is estimated to range from \$4,000,000 to \$4,500,000. It is estimated that based upon anticipated revenue and expanded grant limits, the agency could award an additional \$2,000,000 in grants per year. All costs would be state aid and would come from the Civic and Community Center Financing Fund.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 940	AM:	AGENCY/POLT. SUB: Department of Economic Development
REVIEWED BY: Neil Sullivan	DATE: 1/23/2018	PHONE: (402) 471-4179
COMMENTS: No basis to disagree with the Department of Economic Development estimate of no fiscal impact from LB940.		

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

2018

LB⁽¹⁾ 940

FISCAL NOTE

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

Prepared by: ⁽³⁾ Dave Rippe Date Prepared: ⁽⁴⁾ 1/17/2018 Phone: ⁽⁵⁾ 471-3777

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2018-19</u>		<u>FY 2019-20</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:

LB940 changes several provisions of the Civic and Community Center Financing Act. The bill adds language to the definition of “community center” to require that the property that is owned by a municipality and located within the community. Projects are expanded to include historic districts, and parks. The bill also increases the size of the grants. The bill also prohibits a city from selling a civic, community, or recreation center that has received grant funds from the program for at least five years. The bill also shortens the period between receiving grants from 5 years to 2 years, and states that the Department shall give priority to applications from municipalities that have not received a grant (other than a planning grant) within the last 10 years.

Increasing the size of the awards could reduce the total number of grants awarded in any year. There will be no fiscal impact on the Department of Economic Development’s operations due to the provisions of LB940.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2018-19</u>	<u>2019-20</u>
	<u>18-19</u>	<u>19-20</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____