

PREPARED BY: Jeanne Glenn
 DATE PREPARED: January 30, 2019
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LB 527

Revision: 00

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2019-20		FY 2020-21	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS		See below		See below
FEDERAL FUNDS				
OTHER FUNDS		(See below)		(See below)
TOTAL FUNDS		0		0

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

LB 527 would establish the Customized Job Training Act. The Department of Economic Development would be authorized to administer a grant program to provide funds to employers for reimbursement of job training expenses. The Customized Job Training Cash Fund would be established in the Department to receive revenue from the first six hundredths of one percent of state unemployment insurance tax collected under sections 48-648 to 48-661. The fund could be expended as grants and used for administrative costs related to the program.

It is estimated by the Department of Labor that the funding source as established in LB 527 would be under \$2,000 annually. There would be no net impact to the state as a result of the transfer of funds out of the State Unemployment Insurance Trust Fund and into the Customized Job Training Cash Fund. It is estimated that the Department of Economic Development could implement LB 527 as written using existing staff.

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

2019

LB⁽¹⁾ 527

FISCAL NOTE

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

Prepared by: ⁽³⁾ Katie Thurber Date Prepared: ⁽⁴⁾ 1/29/2019 Phone: ⁽⁵⁾ 402-471-9912

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2019-20</u>		<u>FY 2020-21</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
TRUST FUNDS	_____	(1,618.00)	_____	(1,618.00)
TOTAL FUNDS	=====	(1,618.00)	=====	(1,618.00)

Explanation of Estimate:

As drafted, LB 527 is unclear on what funds are being proposed for deposit into the Customized Job Training Cash Fund. It is the Department of Labor's understanding that LB 527 is taking 0.06% of the funds that are collected for deposit into State Unemployment Insurance Trust Fund (SUIT) and diverting them into the Customized Job Training Cash Fund.

The SUIT Fund grew by \$2,697,346 in FY18, which would produce \$1,618 at .06%. The last five years of collections into the SUIT Fund are as follows:

- FY18 \$2,697,346
- FY17 \$3,409,179
- FY16 \$3,829,476
- FY15 \$4,421,056
- FY14 \$3,093,357

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2019-20</u> <u>EXPENDITURES</u>	<u>2020-21</u> <u>EXPENDITURES</u>
	<u>19-20</u>	<u>20-21</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____