PREPARED BY: DATE PREPARED: PHONE: Austin Ligenza February 17, 2021 (402)471-0050

LB 181

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT - STATE AGENCIES (See narrative for political subdivision estimates)						
	FY 202	21-22	FY 2022-23			
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE		
GENERAL FUNDS		See Below		See Below		
CASH FUNDS		See Below		See Below		
FEDERAL FUNDS						
OTHER FUNDS						
TOTAL FUNDS		See Below		See Below		

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

LB 181 seeks to expand the Convention Center Facility Financing Assistance Act. Under LB 181, parking facilities are defined in relation to sports arena facilities and included as an eligible facility to be developed or improved under the Act. Furthermore, LB 181 increases the maximum amount allowed for approved projects from \$75 million to \$150 million.

Revenue:

The Department of Revenue currently sees that the maximum of \$75 million is expected to be reached in FY23-24. This means that any General Fund revenue loss as a result of LB 181 will not be seen until after the FY21-23 biennium. It is estimated that the following transfers will be made from the General Fund to the Convention Center Support Fund once \$75 million is reached in FY23-24:

- FY23-24: \$1,931,000
- FY24-25: \$6,621,000
- FY25-26: \$6.952.000

There is no basis to disagree with these estimates.

Expenditures:

The Department of Revenue estimates no operating costs to the Department to implement LB 181. There is no basis to disagree with this estimate.

The Department of Economic Development estimates the need for a 0.5 FTE Business Consultant beginning in January of 2022 to help implement LB 181. Because revenue to the cash fund is not anticipated to increase until FY23-24, we disagree the additional FTE is needed in FY21-22 or FY22-23, but would concur that the expense is necessary beginning in FY23-24.

The impact to political subdivisions will vary based on the number of eligible projects. The City of Lincoln and Lancaster County both estimate no fiscal impact as a result of LB 181. The City of Lincoln identifies LB 181 as an additional financing option for the city's projects. There is no basis to disagree with these estimates.

ADMINIS	STRATIVE SERVI	CES STATE BUDGET DIVISION: REVIEW OF AGENC	CY & POLT. SUB. RESPONSE			
LB: 181	AM:	AGENCY/POLT. SUB: County of Lancaster				
REVIEWED BY:	Lee Will	DATE: 01/15/2021	PHONE: (402) 471-4175			
COMMENTS: Concur with the County of Lancaster's assessment of no fiscal impact.						

LB 181 Fiscal Note 2021

State Agency Estimate						
State Agency Name: Department of	Revenue				Date Due LFA:	
Approved by: Tony Fulton		Date Prepared:	2/16/2021		Phone: 471-5896	
	FY 202	<u>1-2022</u>	FY 202	2-2023	FY 202	3-2024
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue
General Funds						(\$ 1,931,000)
Cash Funds						\$ 1,931,000
Federal Funds						
Other Funds						
Total Funds						\$ 0

LB 181 would amend the Convention Center Facility Financing Assistance Act (for which applications can no longer be accepted) to allow the state assistance to be used to acquire, construct, improve, and equip nearby parking facilities. The bill would also increase the maximum total state assistance from \$75 million to \$150 million.

Currently, the maximum total in state assistance of \$75 million is projected to be reached during fiscal year 2023-24. The estimated impact of the LB 181 is as follows:

Fiscal Year	General Fund	Convention Center Support Fund
FY 23-24	(\$ 1,931,000)	\$ 1,931,000
FY 24-25	(\$ 6,621,000)	\$ 6,621,000
FY 25-26	(\$ 6,952,000)	\$ 6,952,000

It is estimated that there will be no cost to the Department to implement the bill.

The bill becomes operative three months after adjournment.

Major Objects of Expenditure							
Class Code	Classification Title	21-22 <u>FTE</u>	22-23 <u>FTE</u>	23-24 <u>FTE</u>	21-22 Expenditures	22-23 Expenditures	23-24 Expenditures
Benefits							
	Travel						
Capital Outlay							
Capital Improvemen	Capital Improvements.						

LB ⁽¹⁾ 181				FISCAL NOTE			
State Agency OR Political	Subdivision Name: (2)	Nebraska Department of Economic Development					
Prepared by: (3) Antho	ony Goins	Date Prepared: ⁽⁴⁾	1/28/2021 Phone: (5	⁵⁾ 402-471-3777			
]	ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION						
	FY 2	2021-22	FY 2022-23				
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE			
GENERAL FUNDS							
CASH FUNDS	\$25,300	(See Below)	\$51,635	(See Below)			
FEDERAL FUNDS			_				
OTHER FUNDS							
TOTAL FUNDS	\$25,300	(See Below)	\$51,635	(See Below)			
Evalenation of Estimator							

Explanation of Estimate:

LB181 would expand the definition of convention and meeting center facility to include "a nearby parking facility for the use of the convention and meeting center facility" for purposes of the Convention Center Facility Financing Assistance Act.

The bill would also increase the amount of sales tax turnback available from the state from a maximum of \$75 million to a maximum of \$150 million per approved project.

Under Section 13-2610(6), 30% of the state sales tax revenue shall be "appropriated by the Legislature and transferred to the Civic and Community Center Financing Fund." This fund is used by DED to make grants to applicants for civic and community centers. The additional amount of turnback flowing into the fund is unknown; however, it could increase the number of grants that can be awarded under the DED program. The additional number of potential projects and expanded turnback would result in additional grant applications and awards. This is expected to result in an increase of 0.5 FTE of a DED Business Consultant, beginning in January of 2022, to administer and monitor the additional grants.

<u>BREAKI</u>	<u>OOWN BY MAJ</u>	OR OBJECTS OF	<u>EXPENDITURE</u>		
Personal Services:					
NUMBER OF POSIT		F POSITIONS	2021-22	2022-23	
POSITION TITLE	<u>21-22</u>	<u>22-23</u>	EXPENDITURES	EXPENDITURES	
A49310 Econ Dev Bus. Consultant	0.25	0.50	\$14,855	\$30,455	
Benefits	-		5,945	12,180	
Operating			3,000	6,000	
Travel			1,500	3,000	
Capital outlay					
Aid					
Capital improvements					
TOTAL	• • • • • • • • • • • • • • • • • • • •		\$25,300	\$51,635	

LB (1) 181					FISCAL NOTE
State Agency OR I	Political Subdivision Name: (2)	County of Lancast	ter		
Prepared by: (3)	David A. Derbin, Chief Administrative Officer	Date Prepared: (4)	1/12/2021	Phone: (5)	402-441-7447
	ESTIMATE PROVI	DED BY STATE AGENO	CY OR POLITIC	AL SUBDIVISIO	ON
	FY	Z 2021-22		FY 2022	2-23
	EXPENDITURE		EXPEND		REVENUE
GENERAL FUN	DS	_	_		
CASH FUNDS					
FEDERAL FUNI	DS	_	_		
OTHER FUNDS					
TOTAL FUNDS		_			
Explanation of E	stimate:	-			
No Fiscal Impa					
Personal Services		WN BY MAJOR OBJECT	<u>rs of expendi</u>	<u>TURE</u>	
POSIT	TION TITLE	NUMBER OF POSITIONS 21-22 22-23	S 2021 <u>EXPEND</u>		2022-23 EXPENDITURES
Renefits					
			-		
Capital outlay					
Aid					
Capital improven	nents				
TOTAL					

LB ⁽¹⁾ 181			FISCAL NOTE
State Agency OR Political Subdivision Name:	City of Lincoln	<u> </u>	
Prepared by: (3)James Van Bruggen	Date Prepared: (4)1	/26/21 Phone: (5	402-441-8301
ESTIMATE PRO	VIDED BY STATE AGENCY (OR POLITICAL SUBDIVISI	ON
1	FY 2021-22	FY 202	2-23
<u>EXPENDITUR</u>		EXPENDITURES	REVENUE
GENERAL FUNDS	<u> </u>		
CASH FUNDS	<u> </u>		
FEDERAL FUNDS			
OTHER FUNDS		<u> </u>	
TOTAL FUNDS			
Explanation of Estimate:			
BREAKD Personal Services:	OWN BY MAJOR OBJECTS O	OF EXPENDITURE	
POSITION TITLE	NUMBER OF POSITIONS 21-22 22-23	2021-22 EXPENDITURES	2022-23 EXPENDITURES
Benefits			
Operating			
Travel			
Capital outlay			
Aid			
Capital improvements			
TOTAL			