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

LB 181

Revision: 01

FISCAL NOTE

Revised to amend timing of fiscal impact.

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						
CASH FUNDS						
FEDERAL FUNDS						
OTHER FUNDS						
TOTAL FUNDS						

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 each political subdivision receiving aid from \$75 million to \$150 million.

Revenue:

The Department of Revenue estimates no fiscal impact to the General Fund in the short-run as a result of LB 181. This appears reasonable, as the total aid currently received by political subdivisions under the Act equals less than \$75 million altogether. As such, the raising of the cap would have no impact to the General Fund or to the Civic and Convention Center Support Fund for several biennium.

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 in the foreseeable future, we disagree the additional FTE is needed in FY21-22 or FY22-23, but would concur that the expense is necessary if the original \$75 million cap was ever exceeded.

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	ICES 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 - Revised

		State Agen	cy Estimate				
State Agency Name: Department	t of Revenue			D	ate Due LFA:		
Approved by: Tony Fulton	•				Phone: 471-5896		
	FY 2021	1-2022	FY 2022	2-2023	FY 2023	3-2024	
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue	
General Funds		\$ 0		\$ 0		\$ 0	
Cash Funds							
Federal Funds							
Other Funds							
Total Funds		\$ 0		\$ 0		\$ 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 to each political subdivision from \$75 million to \$150 million. Also, the maximum total to be transferred from the Convention Center Support Fund to the Civic and Community Center Financing Fund would increase from \$32 million to \$64 million for each project.

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	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		
Danafita									
Operating Costs									
Travel Capital Outlay									
Capital Improvements									

LB ⁽¹⁾ 181			F	FISCAL NOTE
State Agency OR Political	Subdivision Name: (2) No	ebraska Departmei	nt of Economic Developr	nent
Prepared by: (3) Antho	ony Goins	Date Prepared: (4)1/	/28/2021 Phone: (5)	402-471-3777
I	ESTIMATE PROVIDED	BY STATE AGENCY	OR POLITICAL SUBDIVISI	ON
	FY 202	1-22	FY 2022	2-23
	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)
E 1 ' CE ' '				

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>BREAKD</u>	OWN BY MAJ	OR OBJECTS OF	EXPENDITURE	
Personal Services:				
	NUMBER O	F POSITIONS	2021-22	2022-23
POSITION TITLE	21-22 $22-23$		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 Political Subdivision Name:	City of Lincoln		
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	9-93
<u>EXPENDITUR</u>		EXPENDITURES	REVENUE
GENERAL FUNDS			
CASH FUNDS	<u> </u>	<u></u>	
FEDERAL FUNDS		, <u> </u>	
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			

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	2021-22		FY 2022	2-23
	EXPENDITURES		EXPEND		REVENUE
GENERAL FUN	DS		_		
CASH FUNDS					
FEDERAL FUNI	DS		_		
OTHER FUNDS					
TOTAL FUNDS		_			
Explanation of E	stimate:				
No Fiscal Impa					
Personal Services		<u>WN BY MAJOR OBJECT</u>	<u> </u>	<u>TURE</u>	
		NUMBER OF POSITIONS 21-22 22-23	S 2021 <u>EXPEND</u>		2022-23 EXPENDITURES
Renefits					
Capital outlay					
Aid					
Capital improver	nents				
TOTAL					