

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2021-22</b>		<b>FY 2022-23</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		See below		See below
CASH FUNDS				
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 682 seeks to make various changes to the New Markets Job Growth Investment Act (Act).

Section 2 specifies the purpose of the Act as helping small businesses gain access to capital and investment dollars.

Section 4 redefines qualified equity investment in context of the 2021 allocation. Section 5 defines 2020 federal notice as a federal announcement indicating funding availability in September of 2020.

2021 allocation is defined in Section 6 as a monetary amount of qualified equity investments given by the Tax Commissioner after the 2020 federal notice to maximize tax credit utilization of no more than \$15 million in any fiscal year of new tax credits under the Act.

LB 682 excludes tax credits received under the 2021 allocation from the \$15 million new tax credits cap. The deadline for new applications for designation as a qualified equity investment is extended from December 31, 2022 to December 31, 2029.

The Department of Revenue estimates the following impact to General Fund Revenues:

- FY21-22: \$0
- FY22-23: \$0
- FY23-24: \$0
- FY24-25: (\$15,000,000)
- FY25-26: (\$15,000,000)
- FY26-27: (\$15,000,000)

DOR expects no cost to implement LB 682.

There is no basis to disagree with these estimates.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>		
LB: 682	AM:	AGENCY/POLT. SUB: Department of Revenue
REVIEWED BY: Neil Sullivan	DATE: 2/3/2021	PHONE: (402) 471-4179
COMMENTS: The Department of Revenue assessment of fiscal impact from LB 682 appears reasonable.		



Section 9 – Qualified community development entities that have received an allocation pursuant to the 2021 allocation, must submit an annual report to the Tax Commissioner on or before the last day of February following the second through seventh credit allowance date. Section 9 provides the information to be included in the annual report. The Tax Commissioner will submit a report to the Legislature on or before April 1, 2022 and on or before each April 1 thereafter through April 1, 2028 a report with respect to the 2021 allocation.

The remainder of LB 652 harmonizes this provision.

The estimated fiscal impact to the General Fund revenues would be as follows:

FY21-22	\$	-
FY22-23	\$	-
FY23-24	\$	-
FY24-25	\$	(15,000,000)
FY25-26	\$	(15,000,000)
FY26-27	\$	(15,000,000)

It is estimated that there will be minimal costs to the Department to implement this bill.