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LB 1083

Revision: 00

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2014-15		FY 2015-16	
	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 1083 would establish a new category of grants within the statutory guidelines of the Job Training Cash Fund. Under the provisions of LB 1083, the subaccount established within the Job Training Cash Fund that is designated for small companies and companies based in rural or high poverty areas could also be used to employ or train recently separated veterans. The expansion of the eligible uses of the subaccount would not change the total expenditures from the fund, and it is estimated that the Department of Economic Development could carry out the provisions of LB 1083 using existing staff.

State Agency Estimate

State Agency Name: Dept. of Economic Development Date Due LFA: 1/30/2014
Approved by: Lara Huskey Date Prepared: 1/27/2014 Phone: 471-3777

Table with columns for FY 2013-2014, FY 2014-2015, and FY 2015-2016, each with sub-columns for Expenditures and Revenue. Rows include General Funds, Cash Funds, Federal Funds, Other Funds, and Total Funds.

LB 1083 would allow the subaccount within the Job Training Cash Fund, administered by the Department of Economic Development to be used to provide training grants for employing, or training for potential employment, recently separated veterans. A recently separated veteran would be defined as any person who served full-time duty with military pay and allowances in the armed forces of the United States, except for training or for determining physical fitness, that was discharged or otherwise separated with a characterization of honorable or general (under honorable conditions) within the twenty-four-month period prior to the date of application for the training grant.

The business applying for the training grant would have to fill a minimum of four positions for recently separated veterans. The maximum amount of the grant would be tied to the wages paid to the recently separated veterans, and would be as follows: (1) \$7,500 per job, if the wages do not exceed \$30,000 a year; or (2) \$15,000 per job, if the wages exceed \$30,000 a year.

If the grant application was approved with provisions described in subsection (3) of section 81-1203, the grant would be as follows: (1) \$15,000 per job, if the wages do not exceed \$30,000 a year; or (2) \$22,500 per job, if the wages exceed \$30,000 a year.

LB 1083 would also allow businesses receiving a grant under the Department's internship grant program to hire a recently separated veteran as an intern. In such event, the grant may be up to the lesser of seventy-five percent of the cost of the internship, or \$7,500. The business applying for the grant would have to provide the Department with documentation to prove that the student is a recently separated veteran. The Department would have to develop strategies for marketing internships to recently separated veterans, and include such strategies in the Department's qualified action plan.

The Department's costs to implement LB 1083 are expected to be minimal.

Major Objects of Expenditure

Table with columns for Class Code, Classification Title, and Expenditures for fiscal years 13-14, 14-15, and 15-16. Rows include Benefits, Operating Costs, Travel, Capital Outlay, Aid, Capital Improvements, and Total.