

PREPARED BY: Jeanne Glenn  
 DATE PREPARED: January 22, 2016  
 PHONE: 402-471-0056

**LB 860**

Revision: 00

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

| <b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates) |                   |         |                   |         |
|---|-------------------|---------|-------------------|---------|
|   | <b>FY 2016-17</b> |         | <b>FY 2017-18</b> |         |
|   | 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 860 would have no fiscal impact to state agencies.

LB 860 would expand the definition of economic development programs under the Local Option Municipal Economic Development Act to include grants or loans for the construction or rehabilitation of housing as a part of a workforce housing plan. The expanded use would apply to cities of the first and second class and villages. Any potential impact upon cities or villages as a result of this expansion would depend upon local governing board actions and cannot be estimated at this time.

| <b>ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSES</b> |               |  |
|---|---------------|--|
| LB: 860   | AM:           | AGENCY/POLT. SUB: Department of Economic Development |
| REVIEWED BY: Robin Kilgore  | DATE: 1-21-16 | PHONE: 471-4180                                      |
| COMMENTS: No basis to disagree with agency estimate of fiscal impact.                             |               |  |

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

**2016**

**LB<sup>(1)</sup> 860**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Dept. of Economic Development

Prepared by: <sup>(3)</sup> Courtney Dentlinger Date Prepared: <sup>(4)</sup> 1/20/2016 Phone: <sup>(5)</sup> 471-3777

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

|                    | FY 2016-17          |                | FY 2017-18          |                |
|--------------------|---------------------|----------------|---------------------|----------------|
|                    | <u>EXPENDITURES</u> | <u>REVENUE</u> | <u>EXPENDITURES</u> | <u>REVENUE</u> |
| GENERAL FUNDS      | _____               | _____          | _____               | _____          |
| CASH FUNDS         | _____               | _____          | _____               | _____          |
| FEDERAL FUNDS      | _____               | _____          | _____               | _____          |
| OTHER FUNDS        | _____               | _____          | _____               | _____          |
| <b>TOTAL FUNDS</b> | <u>_____</u>        | <u>_____</u>   | <u>_____</u>        | <u>_____</u>   |

**Explanation of Estimate:**

LB 860 amends the Local Option Municipal Economic Development Act to allow economic development programs of cities of the first and second class and villages to include a workforce housing plan.

A workforce housing plan is a program for construction or rehabilitation of single-family housing or market rate multi-family housing designed to address a housing shortage that impairs the ability of a city or village to attract new businesses or an existing business to recruit new employees.

If a workforce housing plan is to be part of an economic development program involving the making of grants or loans for constructing or rehabilitating housing for sale or lease, the plan must include: (1) an assessment of the current stock of single- and multi-family housing in the city; (2) a statement of whether the plan will include housing for low or moderate income persons; (3) a statement of conditions faced by existing businesses in recruiting new employees; and (4) a statement of conditions faced by persons seeking new or rehabilitated housing in the city.

The Department of Economic Development will have minimal costs associated with the provisions of LB 860, which can be accomplished within the existing appropriation.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

| <u>POSITION TITLE</u>     | <u>NUMBER OF POSITIONS</u> |              | <u>2016-17</u>      | <u>2017-18</u>      |
|---------------------------|----------------------------|--------------|---------------------|---------------------|
|                           | <u>16-17</u>               | <u>17-18</u> | <u>EXPENDITURES</u> | <u>EXPENDITURES</u> |
| _____                     | _____                      | _____        | _____               | _____               |
| _____                     | _____                      | _____        | _____               | _____               |
| Benefits.....             | _____                      | _____        | _____               | _____               |
| Operating.....            | _____                      | _____        | _____               | _____               |
| Travel.....               | _____                      | _____        | _____               | _____               |
| Capital outlay.....       | _____                      | _____        | _____               | _____               |
| Aid.....                  | _____                      | _____        | _____               | _____               |
| Capital improvements..... | _____                      | _____        | _____               | _____               |
| <b>TOTAL.....</b>         | _____                      | _____        | _____               | _____               |