

PREPARED BY: Clinton Verner
 DATE PREPARED: March 2, 2023
 PHONE: 402-471-0056

LB 801

Revision: 00

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2023-24		FY 2024-25	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		See below	See below	See below
CASH FUNDS	See below	See below	See below	See below
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below	See below	See below	See below

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

LB801 creates intent to transfer \$100,000,000 from the General Fund in FY23-24 and \$100,000,000 from the General Fund in FY24-25 to the Middle Income Workforce Housing Investment Fund and the Affordable Housing Trust Fund.

DED’s estimate for administrative cost and expenditure schedule appears reasonable.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 801	AM:	AGENCY/POLT. SUB: Department of Economic Development
REVIEWED BY: Neil Sullivan	DATE: 3/3/2023	PHONE: (402) 471-4179
COMMENTS: No basis to disagree with the Department of Economic Development assessment of fiscal impact from LB 801. <u>Technical Note</u> : The current transfer intent language is not sufficient to execute a transfer of funds. The fiscal impact ass		

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2023

LB⁽¹⁾ 801

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Department of Economic Development

Prepared by: ⁽³⁾ Dave Dearthmont Date Prepared: ⁽⁴⁾ 2/21/2023 Phone: ⁽⁵⁾ 402-471-3777

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2023-24</u>		<u>FY 2024-25</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS		(\$100,000,00)		(\$100,000,00)
CASH FUNDS	\$10,000,000	100,000,000	\$45,000,000	100,000,000
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u>\$10,000,000</u>	<u>\$0</u>	<u>\$45,000,000</u>	<u>\$0</u>

Explanation of Estimate:

LB 801 contains intent language to transfer \$100 million from the General Fund to the Middle Income Workforce Housing Investment Fund and the Affordable Housing Trust Fund in FY2023-24 and in FY2024-25. The bill also contains intent language that the funds are to provide “workforce housing grants” under the middle income and affordable housing programs.

DED believes that the total \$200 million will be distributed approximately 5%, 22.5%, 37.5%, 27.5% and 7.5% in FY2023-24 through FY2027-28, respectively.

The Department estimates a need for an additional 6 Economic Business Consultant IIs, 2 Accountant IIIs, 2 IT Data/Database Analysts, and 2 Economic Development Managers for the administration of these funds. Operating costs include \$227,300 annually for software and licenses for grant management software and \$29,600 for additional leased office space.

It is not clear that the intent language constitutes valid intent to appropriate fund to DED to provide workforce housing grants.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2023-24</u>	<u>2024-25</u>
	<u>23-24</u>	<u>24-25</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
A49012 Econ Bus Dev Consultant II	4.0	6.0	\$265,720	\$345,440
A07051 Accountant III	1.5	2.0	94,730	131,360
A07051 IT Data/DB Analyst	1.5	2.0	110,680	153,470
G49550 Econ Dev Manager	1.5	2.0	107,860	149,570
Total	8.5	12.0	578,990	779,840
Benefits.....			231,600	311,940
Operating.....			366,510	413,480
Travel.....			57,900	77,980
Capital outlay.....			86,000	8,600
Aid.....			8,679,000	43,408,160
Capital improvements.....				
TOTAL.....			<u>\$10,000,000</u>	<u>\$45,000,000</u>