

Revised to reflect amendments adopted.

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2008-09		FY 2009-10	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		(5,000,000)		(See below)
CASH FUNDS	See below	5,000,000	See below	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below	0	See below	(See below)

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 235 would establish the Nebraska Advantage Film Production Incentive Act. The fiscal impact would include:

Production rebates – LB 235 would provide production cost rebates to companies producing films in Nebraska. The amount of rebates given in any single fiscal year would be capped at \$5,000,000 and would be paid from the Film Enhancement Rebate Program Fund. In order to provide a revenue source for the Film Enhancement Rebate Program Fund, General Funds would be transferred in on an annual basis. It is estimated that in FY08-09, a \$5,000,000 General Fund transfer would occur. In subsequent fiscal years, the amount required for transfer would depend upon the amount of rebates claimed in the prior fiscal year and the balance of the Film Enhancement Rebate Program Fund, but the maximum potential transfer amount would be \$5,000,000 General Funds.

Department of Economic Development administrative expenses – The Film Office would be established in Department of Economic Development (DED) to administer the provisions of the act, including approval and denial of rebate claims. DED estimates that it would require \$155,000 to administer the program in FY08-09 and \$150,000 to administer the program in FY09-10. Because \$40,000 General Funds are currently budgeted in DED for contractual Film Office promotional activities, it is estimated that actual new funding required for the program would be \$115,000 in FY08-09 and \$110,000 in FY09-10. A total of 2 FTE staff would be hired and operating and travel expenses would be paid from with the combined funding available to the agency. It is assumed that the additional administrative expenses beyond the \$40,000 currently budgeted could be paid from the Film Enhancement Rebate Program Fund.