PREPARED BY: DATE PREPARED: PHONE: Jeanne Glenn February 02, 2017 402-471-0056

LB 356

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)									
	FY 2017-18 FY 2018-19								
	EXPENDITURES	REVENUE	EXPENDITURES REVENUE						
GENERAL FUNDS		See below		See below					
CASH FUNDS	75,000	75,000	75,000	75,000					
FEDERAL FUNDS									
OTHER FUNDS									
TOTAL FUNDS	75,000	75,000	75,000	75,000					

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

LB 356 would provide that the total amount of tax credits to be approved under the Community Development Assistance Act would be reduced by \$75,000 from FY17-18 through FY26-27. The reduction of the tax credit would increase General Fund revenue by \$75,000 per year.

LB 356 would also create the Civic Engagement Cash Fund in the Nebraska Arts Council. The fund would receive revenue from a \$75,000 General Fund transfer from FY17-18 through FY26-27. The fund would be used by the Arts Council to provide a grant to a Nebraska affiliate of a grant-making body that provides financial assistance to organizations such as museums and community groups to conduct research, promote education, and provide community resources for purposes of providing grants to eligible nonpartisan, nonprofit civic engagement projects. The Arts Council would be required to annually report to the Legislature regarding the use of the fund. The Nebraska Arts Council would expend the cash fund as a grant, and estimates that existing staff would administer the program.

There is no net impact to the General Fund, because the increased revenue realized through the reduction of the tax credit program would be transferred out to a cash fund. There would be a \$75,000 increase in cash fund expenditures.

ADMIN	IISTRATIVE SERVICES ST	TATE BUDGET DIVISION: REVIEW OF AG	ENCY & POLT. SUB. RESPONSES				
LB: 356	AM:	AGENCY/POLT. SUB: Department of E	Economic Development				
REVIEWED BY: James Van Bruggen DATE: 2/2/17 PHONE: (402) 471-4179							
COMMENTS: Agree with the Department of Economic Development's statement of no fiscal impact.							

ADMIN	ISTRATIVE SERVIC	ES STATE BUDGET DIVISION: REVIEW OF AG	ENCY & POLT. SUB. RESPONSES					
LB: 356	AM:	AGENCY/POLT. SUB: Arts Council						
REVIEWED BY: James Van Bruggen DATE: 1/25/17 PHONE: (402) 471-4179								
	COMMENTS: The bill would transfer \$75,000 General Funds annually to a newly created Civic Engagement Cash Fund each from Fiscal Year 2017-18 to 2026-27. The total transfer of General Funds would be \$750,000.							

$LB^{(1)}$	356									FISCA	L NOTE
State Ag	gency OR I	Political Sul	odivision Name:	₍₂₎ Depa	rtmer	nt of Ecc	nomic	Develo	pment		
Prepare	ed by: (3)	Courtne	y Dentlinger	Dat	te Prep	oared: (4)	1/19/2	017	Phone: (5) 471-37	'77
		EST	ΓΙΜΑΤΕ PRO	VIDED BY	STAT	E AGEN	CY OR	POLITIC	AL SUBDIV	ISION	
				FY 2017-1						18-19	
		<u> 1</u>	EXPENDITUR			ENUE]	EXPEND			<u>VENUE</u>
GENER	RAL FUN	DS					_				
CASH F	FUNDS						_				
FEDER	AL FUN	DS					_				
OTHER	R FUNDS	6									
TOTAL	L FUNDS	·					=				
Explanat	ion of Es	timate:					=				
amount of from fiscal \$75,000 2017-18 museum purposes Types of Nebraska The Department of the Departme	of tax cre al year 20 will be tra through 2 s and con s of provious eligible p a Arts Co artment of zed, there	dits grante 017-18 threansferred to 2026-27. To mmunity goding grants projects incouncil must of Economics will be no	gagement Cased under the Cough 2026-27. o the Civic Entre Nebraska aroups to condust to eligible not clude promotion report grants ic is currently in General Fund LB 356, as dra	gagement (Arts Counci uct research npartisan, r n of volunte annually to ssuing the d impact. Th	Cash Fil will un, promononproeerism the cla	Fund from se the fur note educ fit civic er , nonpartie erk of the	the Gends to a ation, a agagem san vote legislat	neral Fun ward grar nd provid ent project er registra ure.	d for each fishts to organize community ets. ation, and civesuming that	scal year for eation such resources ic education	r fiscal years as for n. The
			BREAKDO	WN BY M	AJOR	OBJECTS	S OF EX	KPENDIT	<u>CURE</u>		
Personal	Services	:		NIII (DED	OF D	OCTUDION	<u> </u>				
	POSIT	TION TITI	E	17-18	OF PC	18-19		2017 EXPEND			NDITURES
							_				
										-	
										-	
-	•										
Capital	improvei	ments									
TO	TAI.										

TOTAL.....

LB ⁽¹⁾ 356						FISCAL NOTE
State Agency OR Political Subd	ivision Name: (2)	Arts C	Council			
Prepared by: (3) Michael M	larkey	Dat	e Prepared: ⁽⁴⁾	1/20/2017	Phone: (5	402-595-2195
EST)	MATE PROVID	ED BY S	STATE AGENO	CY OR POLIT	ICAL SUBDIVISI	ON
		2017-18			FY 201	<u>8-19</u>
<u>E2</u>	<u> XPENDITURES</u>		<u>REVENUE</u>	<u>EXPEN</u>	<u>NDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS		_		<u> </u>		
CASH FUNDS	\$75,000		\$75,000	\$	75,000	\$75,000
FEDERAL FUNDS						
OTHER FUNDS						
TOTAL FUNDS						
The \$75,000 transferred e grants to eligible organiza	tions.					i be awarded in
Personal Services:	<u>BREAKDOW</u>	N BY M	AJOR OBJECT	<u>'S OF EXPEN</u>	<u>DITURE</u>	
POSITION TITLE		JMBER (<u>17-18</u>	OF POSITIONS 18-19		017-18 NDITURES	2018-19 EXPENDITURES
Benefits			_	<u> </u>		
Operating						
Travel						
Capital outlay						
Aid						
Capital improvements						

LB 356 Fiscal Note 2017

State Agency Estimate									
State Agency Name: Department of Revenue Date Due LFA: 3/13/2013									
Approved by: Tony Fulton		Date Prepared:	3/10/2017		Phone: 471-5896				
	FY 2017-	2018	FY 2018	<u>-2019</u>	FY 201	9-2020			
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue			
General Funds	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$75,000			
Cash Funds		\$ 75,000		\$75,000		\$75,000			
Federal Funds									
Other Funds									
Total Funds	\$ 75,000	\$ 150,000	\$ 75,000	\$ 150,000	\$ 75,000	\$ 150,000			

LB 356 would amend Neb. Rev. Stat. § 13-208 to continue the \$75,000 temporary reduction in the amount available under the Community Development Assistance Act in 2016-17 through 2026-27. Sections 2 through 6 of the bill create the Civic Engagement Cash Fund and allow the Nebraska Arts Council to award grants to organizations such as museums and community groups to conduct research, promote education, and provide community resources for nonpartisan nonprofit civic engagement projects.

Civic engagement projects include promotion of volunteerism, voter registration, leadership development, nonpartisanship, diplomacy, civil discourse, neighborhood organization, and activities that increase confidence in civic institutions. Grants cannot be used for direct political advocacy for or against any issue, party, or candidate. LB 356 has an annual reporting requirement. The State Treasurer is to transfer \$75,000 into the Civic Engagement Cash Fund in July 2017 and 2018 and the bill states intent to continue these transfers through fiscal year 2026-27.

The Department estimates the following revenue impact associated with the bill:

Fiscal Year	Civ	ic Engagement Cash Fund
2017-18	\$	75,000
2018-19	\$	75,000
2019-20	\$	75,000

It is estimated that there will be no cost to the Department to implement this bill.

The bill contains the emergency clause and becomes law upon enactment.

Major Objects of Expenditure										
Class Code	Classification Title	17-18 <u>FTE</u>	18-19 <u>FTE</u>	19-20 <u>FTE</u>	17-18 Expenditures	18-19 Expenditures	19-20 Expenditures			
Benefits										
Operating Costs										
Capital Outlay	Travel									
	Aid									
	Total									