PREPARED BY: DATE PREPARED: PHONE: Jeanne Glenn March 02, 2015 402-471-0056

LB 569

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT - STATE AGENCIES (See narrative for political subdivision estimates) FY 2015-16 EXPENDITURES REVENUE GENERAL FUNDS A 1014 FUNDS							
	FY 2015-16		FY 2016-17				
	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 569 would modify existing statutory caps for grant categories under the Business Innovation Act. The existing caps in the planning, prototyping, value-added agriculture, commercialization, and academic research categories would be removed and replaced with language allowing the Department of Economic Development (DED) to allocate up to \$4,000,000 per category. There would be no change to the total amount of Business Innovation Act grant funding, but it would allow DED greater flexibility to modify category allocations within the existing appropriation.

LB 569 would also modify language regarding the definition of a federal grant program, increases the maximum prototype grant limit and clarifies language regarding matching fund requirements. The revisions would not impact the total program budget.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES								
LB: 569	AM:	AGENCY/PC	AGENCY/POLT. SUB: Department of Economic Development					
REVIEWED BY: Robin Kilgore			DATE: 2-13-15		PHONE: 471-4180			
COMMENTS: Concur with agency's analysis fiscal impact.								

LB 569 Fiscal Note 2015

	State Agency Name: Dept. of Economic Development Date Due LFA 1/29/2015 Date Due LFA 1/29/2015									
State Agency Name: Dept. of Econo	omic Development					Date	Due LFA 1/29/2	2015		
Approved by: Lara Huskey	Date Prepared: 2/4/2015				Phone: 402-471-3777					
	FY 201	FY 2014-2015 FY 2015		5-2016		FY 2016-2017				
	Expenditures	Revenue	<u> </u>	Expenditures	Revenue		Expenditures	Revenue		
General Funds										
Cash Funds						_				
Federal Funds										
Other Funds										
Total Funds										

LB 569 amends the Business Innovation Act as follows:

- 1) Authorizes grants and other financial assistance to match the Federal Small Business Technology Transfer (STTR) grant program (in addition to the Federal Small Business Innovation Research grant program already authorized under the Act).
- 2) Increases the maximum amount of grant that can be awarded for a prototyping project to \$150,000 (from \$50,000).
- 3) Clarifies the matching requirements for the commercialization program (1:1 match).
- 4) Establishes a limitation of \$4 million on each program funded under the Act and eliminating current program funding limitations.
- 5) Adds confidentiality provisions, with the exception of information required in annual reports.

LB 569 does not change the total appropriated annual award amount of \$7 million for the five grant programs covered in the bill; but rather than limiting planning, prototyping, value-added agriculture grants to \$1 million per year, commercialization grants to \$2 million per year, and academic R&D grants to \$3 million per year in annual grants, it caps the total available for any of these grant programs at \$4 million. LB 569 would provide more flexibility in awarding grants in the Business Innovation Act.

The Department of Economic Development will have no additional costs to implement the provisions of LB 596.

Major Objects of Expenditure									
Class Code	Classification Title	14-15 <u>FTE</u>	15-16 <u>FTE</u>	16-17 <u>FTE</u>	14-15 <u>Expenditures</u>	15-16 Expenditures	16-17 <u>Expenditures</u>		
	Benefits								
	Operating Costs.								
Travel	Travel								
	Capital Outlay.								
Aid									
Capital Improvemen	nts								