

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2016-17		FY 2017-18	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		(1,500,000)		(1,500,000)
CASH FUNDS	See below	1,500,000	See below	1,500,000
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below	0	See below	0

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

LB 1017 would transfer \$1,500,000 from the General Fund to the Job Training Cash Fund no later than June 30 of 2016 and 2017, and would make revisions regarding the definition of a student and student residency requirements for the purpose of providing internship grants from the Job Training Cash Fund. The Job Training Cash Fund is located in the Department of Economic Development (DED.)

There would be a \$1,500,000 General Fund revenue loss in both FY16-17 and FY17-18 and a corresponding cash fund revenue increase. The additional cash fund revenue would increase the potential of expenditures from the fund. The amount of increased expenditures would depend upon grants approved for this purpose, although there is the potential of up to \$1,500,000 in increased costs in each year. It is estimated that DED could administer the additional applications and grants using existing staff.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 1017	AM:	AGENCY/POLT. SUB: Department of Economic Development	
REVIEWED BY: Robin Kilgore		DATE: 2-4-16	PHONE: 471-4180
COMMENTS: No basis to disagree with agency fiscal impact.			

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

2016

LB⁽¹⁾ 1017

FISCAL NOTE

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

Prepared by: ⁽³⁾ Courtney Dentlinger Date Prepared: ⁽⁴⁾ 2/1/2016 Phone: ⁽⁵⁾ 402-471-3777

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	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

LB 1017 proposes to transfer \$1,500,000 from the General Fund to the Job Training Cash Fund no later than June 15 of 2016 and 2017 to carry out the InternNE Program.

LB 1017 would also amend the definition of student in the InternNE Program to include persons in eleventh and twelfth grades in a public or private high school, or a school which elects pursuant to section 79-1601 not to meet accreditation or approval requirements in Nebraska (private, denominational, and parochial schools). It would further amend the definition of student to eliminate the Nebraska residency requirement, and eliminate the requirement to attend a Nebraska college, university or other institution of higher education.

As drafted, LB 1017 would expand the number of students eligible to for the InternNE program. It is unclear that this would translate to an increase in the number of applications by businesses for the program. Awards to businesses for this program are competitive, and it is possible that the types of internships that could be completed by high school-aged interns will not be generally competitive without special programming to set aside some internships for these students. If this is the intent, the Department would incur additional costs to administer the program, possibly requiring an additional 0.5 fte of an Economic Development Consultant. However, given the parameters in LB 1017 as drafted, the provisions of the bill can be handled within existing appropriations.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

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