

PREPARED BY: Jeanne Glenn  
 DATE PREPARED: February 06, 2020  
 PHONE: 402-471-0056

# LB 773

Revision: 00

## FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	FY 2020-21		FY 2021-22	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	10,000,000		0	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	10,000,000		0	

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

LB 773 would appropriate \$10,000,000 from the General Fund in FY20-21 to the Department of Economic Development for the purposes of funding the Workforce Housing Investment Act.

Staff originally hired in 2017 to administer the Workforce Housing Investment Act would continue to work with the continued funding appropriated in LB 773. Of the \$10,000,000 in funding, the department estimates that \$9,847,000 would be expended as state aid, with the remainder used for staffing and administration. The agency estimates that the funding could be fully allocated within one year. Based upon the allocation of grants made from funds appropriated in 2017, it is possible that all of the funding included in LB 773 could be committed in one to two years.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 773	AM:	AGENCY/POLT. SUB: Department of Economic Development	
REVIEWED BY: Neil Sullivan	DATE: 1/30/2020	PHONE: (402) 471-4179	
COMMENTS: The Department of Economic Development assessment of fiscal impact from LB 773 appears reasonable.			

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**2020**

**LB<sup>(1)</sup> 773—Revised**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Department of Economic Development

Prepared by: <sup>(3)</sup> Anthony Goins Date Prepared: <sup>(4)</sup> 1/29/2020 Phone: <sup>(5)</sup> 402-471-3777

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2020-21</u>		<u>FY 2021-22</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>\$10,000,000</u>	<u>                    </u>	<u>\$0</u>	<u>                    </u>
CASH FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
FEDERAL FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
OTHER FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
TOTAL FUNDS	<u>\$10,000,000</u>	<u>                    </u>	<u>\$0</u>	<u>                    </u>

**Explanation of Estimate:**

LB773 appropriates \$10 million from the General Fund to DED, for purposes of funding the Workforce Housing Investment Act.

The Department assumes that no additional staff positions will be required, as the staff hired due to LB518 in 2017 will continue to work on Rural Workforce Housing issues; however, the administration costs of the bill will include an estimated \$362,000 for salary related costs, and an additional \$151,000 in benefits and operating costs.

The bill does not clearly state an intent as to the time period in which the funds should be awarded. For purposes of this note, the Department assumes that the expenses will be covered in a one-year period of time.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2020-21</u>	<u>2021-22</u>
	<u>20-21</u>	<u>21-22</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
	<u>0</u>	<u>0</u>	<u>\$362,000</u>	<u>                    </u>
Benefits.....			<u>72,400</u>	<u>                    </u>
Operating.....			<u>78,600</u>	<u>                    </u>
Travel.....			<u>                    </u>	<u>                    </u>
Capital outlay.....			<u>                    </u>	<u>                    </u>
Aid.....			<u>9,487,000</u>	<u>                    </u>
Capital improvements.....			<u>                    </u>	<u>                    </u>
TOTAL.....			<u>\$10,000,000</u>	<u>(See Above)</u>