

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2023-24</b>		<b>FY 2024-25</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	See below		See below	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below		See below	

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

LB224 would create the Aid to Municipalities Act. The act would be administered by the Department of Economic Development for purposes of distributing aid in the form of grants to municipalities for various infrastructure projects. LB821 creates the Aid to Municipalities Fund and provides intent language for \$15 million to be appropriated per fiscal year. No basis to disagree with the Department of Economic Development’s estimates should funds be appropriated. No source of funding is identified, and as such, we assume use of General Funds.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>		
LB: 224	AM:	AGENCY/POLT. SUB: Department of Economic Development
REVIEWED BY: Neil Sullivan	DATE: 2/14/2023	PHONE: (402) 471-4179
COMMENTS: The Department of Economic Development assessment of fiscal impact from LB 224 appears reasonable.		
<u>Technical Note:</u> The current appropriation language is expressed as intent. The fiscal impact assessment assumes an accompanying A-bill articulating appropriation in accordance with §49-804.		

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>		
LB: 224	AM:	AGENCY/POLT. SUB: City of Lincoln
REVIEWED BY: Neil Sullivan	DATE: 2/14/2023	PHONE: (402) 471-4179
COMMENTS: No basis to disagree with the City of Lincoln assessment of contingent fiscal impact from LB 224.		

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

**2023**

**LB<sup>(1)</sup> 224**

**FISCAL NOTE**

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

Prepared by: <sup>(3)</sup> Dave Dearmont Date Prepared: <sup>(4)</sup> 1/26/2023 Phone: <sup>(5)</sup> 402-471-3777

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

	<u>FY 2023-24</u>		<u>FY 2024-25</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>\$15,000,000</u>	<u>                    </u>	<u>\$15,000,000</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>
<b>TOTAL FUNDS</b>	<u><b>\$15,000,000</b></u>	<u>                    </u>	<u><b>\$15,000,000</b></u>	<u>                    </u>

**Explanation of Estimate:**

LB224 adopts the Aid to Municipalities Act to provide grants to cities and villages to pay for infrastructure projects owned or operated by the municipality, including: solid waste management facilities, wastewater, storm water, water treatment airports port facilities, building and capital equipment used for municipal government, convention and tourism facilities, redevelopment projects, mass transit and parking infrastructure. Under the provisions of LB224 a city or village would apply to DED on a first come, first served basis for a grant of up to \$5 million to pay for qualified infrastructure projects.

LB224 creates a new cash fund in DED, the Aid to Municipalities Fund, for purposes of carrying out the Aid to Municipalities Act, and contains intent language to appropriate \$15 million each year to the DED to carry out the act.

The provision of LB224 will require the services of 1.0 FTE Economic Development Manager, 1.0 FTE Economic Development Business Consultant II, 0.25 FTE IT Database Analyst to create the application and grant management system, and 0.25 Accountant III to disburse grant funds. Operating costs include \$51,150 for grant management software and licenses and 6,640 for leased office space, annually.

The bill as drafted, creates a cash fund but does not appear to transfer funds to the cash fund.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2023-24</u>	<u>2024-25</u>
	<u>23-24</u>	<u>24-25</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
G49550 Econ Dev Manager	<u>0.75</u>	<u>1.00</u>	<u>\$53,920</u>	<u>\$74,790</u>
A49012 Econ Dev Bus Consultant II	<u>0.75</u>	<u>1.00</u>	<u>49,820</u>	<u>69,090</u>
A19013 Accountant III	<u>0.00</u>	<u>0.25</u>	<u>0</u>	<u>17,080</u>
A07081 IT Database Analyst	<u>0.50</u>	<u>0.25</u>	<u>36,890</u>	<u>19,180</u>
Benefits.....			<u>56,260</u>	<u>71,790</u>
Operating.....			<u>84,780</u>	<u>93,900</u>
Travel.....			<u>14,070</u>	<u>17,950</u>
Capital outlay.....			<u>17,200</u>	<u>0</u>
Aid.....			<u>14,687,060</u>	<u>14,636,220</u>
Capital improvements.....			<u>0</u>	<u>0</u>
<b>TOTAL.....</b>			<u><b>\$15,000,000</b></u>	<u><b>\$15,000,000</b></u>

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

**2023**

**LB<sup>(1)</sup> 224**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> City of Lincoln

Prepared by: <sup>(3)</sup> Claire Oglesby Date Prepared: <sup>(4)</sup> 1/17/23 Phone: <sup>(5)</sup> 402 441-8301

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

	<u>FY 2023-24</u>		<u>FY 2024-25</u>	
	<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:

The city of Lincoln may have an opportunity to receive grants for infrastructure.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2023-24</u>	<u>2024-25</u>
	<u>23-24</u>	<u>24-25</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____