

PREPARED BY: Clinton Verner
 DATE PREPARED: February 7, 2023
 PHONE: 402-471-0056

LB 444

Revision: 00

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2023-24		FY 2024-25	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS		\$60,000,000		
FEDERAL FUNDS				
OTHER FUNDS		(\$60,000,000)		
TOTAL FUNDS		0		

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

LB444 declares the findings of the Legislature, creates the Postsecondary Workforce Development Fund, places the administration of that fund within the Department of Economic Development (DED), provides guidance on use, and creates a transfer of \$60,000,000 from the Cash Reserve Fund to the Postsecondary Workforce Development Fund. As this will likely be a single grant, we concur with the Department that this fund can be administered without increased administrative burden.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 444	AM:	AGENCY/POLT. SUB: Department of Economic Development	
REVIEWED BY: Neil Sullivan		DATE: 3/2/2023	PHONE: (402) 471-4179
COMMENTS: No basis to disagree with the Department of Economic Development assessment of fiscal impact from LB 444. <u>Technical Note</u> : The fiscal impact assessment assumes an accompanying A-bill articulating appropriation in accordance with §49-804.			

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

2023

LB⁽¹⁾ 444

FISCAL NOTE

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

Prepared by: ⁽³⁾ Dave Dearmont Date Prepared: ⁽⁴⁾ 1/30/2023 Phone: ⁽⁵⁾ 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	_____	_____	_____	_____
CASH FUNDS	\$60,000,000	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>\$60,000,000</u>	_____	_____	_____

Explanation of Estimate:

LB444 creates the Postsecondary Workforce Development Fund (PWDF) via a \$60 million transfer from the Cash Reserve Fund on or before September 1, 2023. The fund is to issue a one-time grant for furnishings and equipment for a health sciences education center, infrastructure related to creating enhanced mobility by the vacationing of a public street, pedestrian safety, and the construction of a community athletics complex.

To receive grants funds, the applicant must provide proof that a health sciences workforce development facility is 75% complete, a public street vacation request is on file with the respective municipality, and documentation that the construction of a community athletics complex is requested to host a regional or national event.

Because this program creates a one-time grant to a postsecondary educational institution, and the institution is not eligible for the grant until the facility is largely completed, there appears to be no need to operate a reimbursement program. DED believes that the cost to administer LB444 will be minimal, and the provisions of the bill can be accomplished within current resources and staff.

The bill does not appear to appropriate funds from the new cash fund for DED to grant to a facility.

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.....	_____	_____	_____	_____