

PREPARED BY: Clinton Verner  
 DATE PREPARED: February 21, 2023  
 PHONE: 402-471-0056

**LB 624**

Revision: 00

**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				
CASH FUNDS		See below		See below
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.**

LB624 amends 81-3710 to place the administration of the Tourism Commission within the Department of Economic Development, strikes requirements for membership of the commission, and establishes a director of the Commission who serves at the pleasure of the Director of Economic Development.

FY22-23 appropriation to the Tourism Commission is \$7,445,681 in Cash Funds. Cash fund balance at the end of FY22-23 was \$4,503,332. There will be a reduction in appropriations to the Tourism Commission with a corresponding increase in the Department of Economic Development so there will be a net zero fiscal impact.

Tourism Commission's fiscal note is based upon the appropriations in its budget request for FY23-24 and FY24-25.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 624	AM:	AGENCY/POLT. SUB: Department of Economic Development	
REVIEWED BY: Ryan Walton	DATE: 2/21/2023	PHONE: (402) 471-4174	
COMMENTS: Concur with the Department of Economic Development assessment of fiscal impact from LB 624.			

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 624	AM:	AGENCY/POLT. SUB: Nebraska Tourism Commission	
REVIEWED BY: Ryan Walton	DATE: 1/31/2023	PHONE: (402) 471-4174	
COMMENTS: Disagree with the Tourism Commission assessment of fiscal impact from LB624. The cash fund base appropriation of \$7,445,681 and the PSL base of \$995,136 should be used, and there would be no General Fund impact. The total impact would be offset by a corresponding increase in the Department of Economic Development.			

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

**2023**

**LB<sup>(1)</sup> 624**

**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> 1/29/2023 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	_____	_____	_____	_____
CASH FUNDS	\$7,445,681	_____	\$7,445,681	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>\$7,445,681</u>	_____	<u>\$7,445,681</u>	_____

**Explanation of Estimate:**

LB624 would place the Nebraska Tourism Commission under the authority of the Nebraska Department of Economic Development. The Director of the Department would appoint the executive director of the commission and set the salary. The executive director is responsible for day-to-day operations and to serve at the pleasure of the Director.

The current base budget for the Nebraska Tourism Commission includes for Program 618 includes the following, which would be absorbed into DED under the provisions of LB624. In addition, the Nebraska Tourism Commission estimates that cash revenue will be \$8,424,856 and \$8,956,881 in FY2023-24 and FY2024-25, respectively.

<u>Fund</u>	<u>Type</u>	<u>FY2022-23</u>
Cash	Operations	6,593,081
Cash	Aid	852,600
	<b>Subtotal</b>	<b>7,445,681</b>
PSL	PSL	995,136

If the language contained in LB624 stating that “the commission shall be located and staffed within the Department of Economic Development” is to be taken literally, it should be noted that DED does not have the space at the Fallbrook office to house the commission.

**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.....	_____	_____	_____	_____

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

**2023**

**LB<sup>(1)</sup> 624**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Tourism Commission

Prepared by: <sup>(3)</sup> Alisha Simonson,  
Heather Hogue

Date Prepared: <sup>(4)</sup> 1/25/2023

Phone: <sup>(5)</sup> 402-471-3776  
402-471-3774

**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>-5,000,000</u>	<u>-5,000,000</u>	<u>-5,000,000</u>	<u>-5,000,000</u>
CASH FUNDS	<u>-10,552,774</u>	<u>-10,552,774</u>	<u>-10,088,244</u>	<u>-10,088,244</u>
FEDERAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
OTHER FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL FUNDS</b>	<u><b>-15,552,774</b></u>	<u><b>-15,552,774</b></u>	<u><b>-15,088,244</b></u>	<u><b>-15,088,244</b></u>

**Explanation of Estimate:**

Passage of LB624 would essentially eliminate Agency 91, resulting in a zero-out of projected agency revenue and expenditures. Breakdown and projected estimates provided within this fiscal note mirror's agency 91's Biennial Budget request documentation.

**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>
Executive Director	<u>1</u>	<u>1</u>	<u>129,940</u>	<u>130,249</u>
Deputy Director	<u>1</u>	<u>1</u>	<u>71,706</u>	<u>71,876</u>
Marketing & Communications Specialist III	<u>1</u>	<u>1</u>	<u>63,589</u>	<u>63,740</u>
Marketing & Communications Specialist II	<u>1</u>	<u>1</u>	<u>43,890</u>	<u>43,994</u>
Accountant II	<u>1</u>	<u>1</u>	<u>46,948</u>	<u>47,059</u>
Administrative Programs Officer I	<u>1</u>	<u>1</u>	<u>40,832</u>	<u>40,930</u>
Economic Development Consultant I	<u>5</u>	<u>5</u>	<u>477,936</u>	<u>478,687</u>
Travel Counselors	<u>32</u>	<u>32</u>	<u>161,944</u>	<u>162,330</u>
Benefits.....			<u>378,393</u>	<u>379,788</u>
Operating.....			<u>13,160,365</u>	<u>12,692,390</u>
Travel.....			<u>124,601</u>	<u>124,601</u>
Capital outlay.....			<u>0</u>	<u>0</u>
Aid/Grants.....			<u>852,600</u>	<u>852,600</u>
Capital improvements.....			<u>0</u>	<u>0</u>
<b>TOTAL.....</b>			<u><b>15,552,774</b></u>	<u><b>15,088,244</b></u>