

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2024-25</b>		<b>FY 2025-26</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

LB842 makes the following changes to housing law:

- Amends definitions under the Municipal Density and Missing Middle Housing Act and Nebraska Affordable Housing Act;
- Adds an allowable education course as an eligible activity under the Affordable Housing Trust Fund;
- Adds projects making reentry or transitional housing more accessible under the Affordable Housing Trust Fund;
- Under the Nebraska Housing Agency Act requires monthly rental costs including utilities to not exceed 30% of the tenant's annual income; and
- Amends definitions under the Nebraska Housing Agency Act.

The act declares an emergency. Amending definitions may change distribution of funds. No fiscal impact.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 842	AM:	AGENCY/POLT. SUB: Department of Economic Development	
REVIEWED BY: Neil Sullivan	DATE: 1/26/2024	PHONE: (402) 471-4179	
COMMENTS: The Department of Economic Development assessment of no fiscal impact from LB 842 appears reasonable.			

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

**2024**

**LB<sup>(1)</sup> 842**

**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> 1/24/2024 Phone: <sup>(5)</sup> 402-471-3777

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

	<u>FY 2024-25</u>		<u>FY 2025-26</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>

**Explanation of Estimate:**

LB 842 proposes to change the Nebraska Affordable Housing Act (58-701 to 58-711), the Municipal Density and Missing Middle Housing Act (19-5501 to 19-5506), and the Nebraska Housing Agency Act (71-1572 to 71-15,168) to define affordable housing as that affordable to a household earning not more than 120% of the area median income, and also not requiring more than 30% of a tenant's annual family income to pay for monthly rent and utility costs. Additionally, LB 842 proposes to expand eligibility for Nebraska Affordable Housing Act funding to 'projects making re-entry or transitional housing more accessible.'

LB 842 contains an emergency clause,

LB842 would result in minimal costs to DED but can be accomplished within current resources.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25</u>	<u>2025-26</u>
	<u>24-25</u>	<u>25-26</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
<b>TOTAL.....</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>