

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)					
EXPENDITURES	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	0	0	0	0	0
FY2027-2028	0	0	0	0	0
FY2028-2029	0	0	0	0	0
REVENUE	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	0	0	0	0	0
FY2027-2028	0	0	0	0	0
FY2028-2029	0	0	0	0	0

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

LB768 would create additional powers for the Nebraska Investment Finance Authority (NIFA).

LB768 would make the following amendments to the Nebraska Affordable Housing Act:

- Shortens the grant and loan application period from 90 to 60 days;
- Requires grant funds disbursed by the Department of Economic Development (DED) to be held in an interest-bearing construction disbursement escrow account, describes the disbursement and requirements of the escrow company;
- Allows for funds held in any escrow account to be recaptured by DED;
- Includes interest earned on awards recouped by DED to be recouped;
- Strikes the housing advisory committee established in 58-704 from consultation on adoption of rules and regulations under the act; and
- Permits DED to contract with a statewide public or private nonprofit organization or state instrumentality which may serve as agent for DED to help carry out the provisions of the act.

LB768 would amend 72-804 and 72-805 to exclude buildings which are constructed or repaired using state funds received in the form of a grant and buildings which will not be owned or managed by the state upon the completion of such construction or repair.

LB768 would amend the Rural Workforce Housing Investment Act and Middle Income Workforce Investment Act to allow for DED to contract with a state instrumentality to carry out the provisions of the acts.

LB768 may affect the manner of the distribution of housing funds, and may result in a change in administrative costs for DED if the agency contracts for an entity to carry out certain functions. Though contracting costs are unknowable, should these housing programs be contracted out there would be a reduction in PSL. Current PSL for administration of the Rural Workforce Housing Investment Fund, Affordable Housing Trust Fund, and Middle Income Workforce Housing Investment Fund totals \$1,079,452.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 768 AM: AGENCY/POLT. SUB: Department of Economic Development

REVIEWED BY: Ryan Yang DATE: 1/14/2025 PHONE: (402) 471-4178

COMMENTS: The DED assessment of no fiscal impact from LB 768 appears reasonable.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 768 AM: AGENCY/POLT. SUB: Department of Water, Energy, and Environment (DWEE)

REVIEWED BY: Ryan Yang DATE: 1/16/2025 PHONE: (402) 471-4178

COMMENTS: The DWEE assessment of no fiscal impact from LB 768 appears reasonable.

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

2026

LB⁽¹⁾ 768

FISCAL NOTE

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

Prepared by: ⁽³⁾ Kob Kitcharoen Date Prepared: ⁽⁴⁾ 01/08/25 Phone: ⁽⁵⁾ (402) 471-3741

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2026-27</u>		<u>FY 2027-28</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:

LB768 authorizes the Nebraska Investment Finance Authority to support, establish, operate, manage, invest in, participate in, and own a nonprofit entity for the purpose of carrying out the purposes of the Nebraska Investment Finance Authority Act. LB 768 eliminates revenue from sources recommended by the housing advisory committee as a revenue source for the Affordable Housing Trust Fund.

LB 768 reduces the grant and loan application period under the Affordable Housing Trust Fund from ninety (90) to sixty (60) days and requires that disbursed grant funds shall be held in an interest-bearing construction disbursement escrow account and shall be dispersed to the recipient upon sufficient presentation of partial lien releases and supporting invoices or receipts. The Department of Economic Development (DED) may recapture any funds not utilized for eligible costs including interest accrued in any escrow account. LB 768 removes language from section 58-708(2)(c)(iv) related to actions which would unduly harm a qualified recipient's reputation and ability to operate in Nebraska.

LB 768 removes the housing advisory committee for purposes of consultation regarding rules and regulations under the Nebraska Affordable Housing Act. LB 768 grants DED authority to contract with a statewide public or private nonprofit organization or a state instrumentality to help carry out the purposes and the requirements of the Nebraska Affordable Housing Act. LB 768 adds "state instrumentality" as an eligible entity which DED may contract with under the Rural Workforce Housing Investment Act, and the Middle Income Workforce Housing Investment Act.

LB 768 also provides that any building constructed or repaired using state funds received in the form of a grant from the state and which will not be owned or managed by the state upon the completion of such construction or repair shall not be a "new state building" under section 72-804 or a building subject to the requirements of section 72-805.

Based on the current language, DED does not expect any change with current resources.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2026-27</u>	<u>2027-28</u>
	<u>26-27</u>	<u>27-28</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.

2026

LB⁽¹⁾ 768

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Department of Water, Energy, and Environment

Prepared by: ⁽³⁾ Kevin Stoner Date Prepared: ⁽⁴⁾ January 8th, 2026 Phone: ⁽⁵⁾ 402-471-2186

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2026-27</u>		<u>FY 2027-28</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
CASH FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</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>
TOTAL FUNDS	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>

Explanation of Estimate:
No Fiscal Impact.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2026-27</u>	<u>2027-28</u>
	<u>26-27</u>	<u>27-28</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
	<u>0</u>	<u>0</u>		
	<u>0</u>	<u>0</u>		
Benefits.....			<u>0</u>	<u>0</u>
Operating.....			<u>0</u>	<u>0</u>
Travel.....			<u>0</u>	<u>0</u>
Capital outlay.....			<u>0</u>	<u>0</u>
Aid.....			<u>0</u>	<u>0</u>
Capital improvements.....			<u>0</u>	<u>0</u>
TOTAL.....			<u><u>0</u></u>	<u><u>0</u></u>

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

2026

LB⁽¹⁾ 768

FISCAL NOTE

State Agency OR Political Subdivision
Name: ⁽²⁾

Nebraska Investment Finance Authority

Prepared by: ⁽³⁾ Christie Weston

Date Prepared: 01/14/2026
⁽⁴⁾

Phone: ⁽⁵⁾ 402-434-3912

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2026-27		FY 2027-28	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Explanation of Estimate:

Should DED contract with NIFA to carry out the programs, there would be no change in authorized administration fees allowable and thus no fiscal impact to the State for using NIFA to administer such programs.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2026-27 EXPENDITURES	2027-28 EXPENDITURES
	26-27	27-28		
Benefits.....				
....				
Operating.....				
....				
Travel.....				
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Capital outlay.....				
Aid.....				
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Capital improvements.....				
TOTAL.....				