Keisha Patent March 13, 2019 402-471-0059

LB 535

Revision: 00 FISCAL NOTE LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)								
	FY 201	9-20	FY 20	20-21				
	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.

LB 535 amends the Nebraska Advantage Act to prohibit, for tier 1 and tier 6 projects, qualified businesses from discriminating against any employee or applicant for employment because of race, color, religion, sex, disability, marital status, national origin, sexual orientation, or sexual identity. The provision applies to applications after the effective date of the bill.

The Department of Revenue estimates no impact on General Fund revenue because they assume all qualified businesses will comply. The Legislative Fiscal Office disagrees with this assumption and estimate. However, it is not possible to determine the fiscal impact of LB 535 because it is not possible to determine the level of compliance of each applicant taxpayer or any effect of the additional requirement on the number of future applications.

The Department of Revenue and Department of Economic Development estimate no cost to implement the bill. There is no basis to disagree with these estimates.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE							
LB: 535	LB: 535 AM: AGENCY/POLT. SUB: Department of Revenue						
REVIEWED	BY: Neil Sullivan	DATE: 3/12/2019	PHONE: (402) 471-4179				
COMMENTS: The Department of Revenue assessment of no fiscal impact from LB 535 appears reasonable.							

	ADMINISTRATIVE SERVICES \$	STATE BUDGET DIVISION: REVIE	EW OF AGENCY & POLT. SUB. RESPONSE			
LB: 5	LB: 535 AM: AGENCY/POLT. SUB: Department of Economic Development					
REVI	EWED BY: Neil Sullivan	PHONE: (402) 471-4179				
COMMENTS: Concur with the Department of Economic Development assessment of no fiscal impact from LB 535.						

Fiscal Note 2019

State Agency Estimate								
State Agency Name: Department of RevenueDate Due LFA:3/12/19								
Approved by: Tony Fulton		Date Prepa	red: 3/8/19		Phone: 471-5896			
FY 2019-2020 FY 2020-2021 FY 2021-2022								
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue		
General Funds								
Cash Funds								
Federal Funds								
Other Funds								
Total Funds								

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LB 535 amends the Nebraska Advantage Act to provide that a qualified business shall not discriminate against an employee or applicant for employment on the basis of race, color, religion, sex, disability, marital status, national origin, sexual orientation, or gender identity.

This new provision applies to applications filed after the effective date of the act.

It is anticipated that all qualifying businesses will comply with this new requirement. Consequently, it is estimated that this bill will have no impact on General Fund revenues.

It is estimated that there will be no costs to the Department to implement this bill.

Major Objects of Expenditure								
Class Code	Classification Title	19-20 <u>FTE</u>	20-21 <u>FTE</u>	21-22 <u>FTE</u>	19-20 <u>Expenditures</u>	20-21 <u>Expenditures</u>	21-22 <u>Expenditures</u>	
Benefits								
Operating Costs	Operating Costs							
Travel								
Capital Outlay								
	Capital Improvements							
Total								

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LB ⁽¹⁾ 535			FISCAL NOTE				
State Agency OR Political Subdivision Name: ⁽²⁾	Nebraska Departr	Nebraska Department of Economic Development					
Prepared by: ⁽³⁾ Dave Rippe	Date Prepared: ⁽⁴⁾	2/4/2019 Phone: ⁽⁵⁾	471-3777				
ESTIMATE PROVI	DED BY STATE AGEN	CY OR POLITICAL SUBDIVIS	ION				
FY	2019-20	FY 2020	FY 2020-21				
EXPENDITURE	<u>S</u> <u>REVENUE</u>	EXPENDITURES	REVENUE				
GENERAL FUNDS							
CASH FUNDS							
FEDERAL FUNDS							
OTHER FUNDS							
TOTAL FUNDS							

Explanation of Estimate:

LB 535 amends Sections 77-5715 and 77-5735 relating to the Nebraska Advantage Act. The bill amends Subsection 5 of Section 77-5715 to include provisions that qualified businesses shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, disability, mental status, national origin, sexual orientation, or gender identity. The bill further amends Section 77-5735 by including provisions which state that the changes in Subsection 5 of Section 77-5715 apply to all applications filed on or after the effective date of this act. Applications made prior to this act are unaffected by the provisions of this act.

It is estimated that there will be no cost to the Department to implement LB 535 as drafted.

Personal Services:	<u>KDOWN BY MAJ(</u>	<u>JR OBJECTS OF</u>	EAPENDITURE	
POSITION TITLE	NUMBER OF <u>19-20</u>	F POSITIONS <u>20-21</u>	2019-20 <u>EXPENDITURES</u>	2020-21 <u>EXPENDITURES</u>
Benefits				
Operating				
Travel				
Capital outlay				
Aid				
Capital improvements				
TOTAL				

2019