

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2008-09		FY 2009-10	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	150,000		See below	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	150,000		See below	

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 1044 would amend sections of law governing the Nebraska State Fair. The fiscal impact of LB 1044 would include:

State Fair Future Commission – A six-member State Fair Future Commission would be established to conduct a study and make a recommendation to the Legislature as to a new and suitable site for the location of the Nebraska State Fair. The commission would conduct a study, hold public hearings and issue a report to the Executive Board of the Legislature on or before December 31, 2008. The Executive Board of the Legislature would be directed to provide staff support as required by the commission. Costs related to the commission would depend upon the number of hearings that are held and whether special experts were retained to provide analysis of potential sites for the Nebraska State Fair. Based upon the cost of LB 435 of 2007, which conducted a study of the current Nebraska State Fairgrounds, an appropriation of \$150,000 may be necessary to provide for commission and consultant expenses. Absent other funding sources, a General Fund appropriation would be necessary.

Relocation of the State Fair -- LB 1044 specifies that the State Fair relocation process shall be completed by August 1, 2012. It retains current statutory language that the State Fair be held at or near the City of Lincoln, in Lancaster County until the relocation is complete, but strikes the statutory requirement that the State Fair be held on land owned by the state and known as the Nebraska State Fairgrounds. Actual costs to relocate the State Fair would depend upon the location chosen by the State Fair Future Commission and the extent of infrastructure and facility development necessary to accommodate State Fair activities. Information provided by the State Fair Board (see attached) estimates that depending upon the site chosen, total expenses to move the Fair to a new location could range from \$51,000,000 to \$94,400,000. It is anticipated that a variety of non-state funding sources could be used to finance relocation expenses, but a full financing package can not be estimated at this time.

Any fiscal impact to the State in the State Fair relocation process would depend upon legislative funding decisions. State General Fund appropriations for the purpose of funding Nebraska State Fair activities were minimal in nature over the past 20 years, and were eliminated altogether when a constitutional amendment was approved to dedicate a portion of Nebraska lottery revenue to the State Fair.

Use of current State Fairgrounds -- LB 1044 states as a legislative finding that the current State Fairgrounds should be transferred to the University of Nebraska. Because this language is a legislative finding and does not mandate a transfer, it is assumed that it has no fiscal impact until a transfer is specifically authorized in law. If a transfer was directly authorized in future legislation, assets currently owned by the State would be transferred to the University of Nebraska. A property appraisal would be necessary to accurately determine the value of the assets transferred from State ownership to University ownership.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Mike Salzwedel	DATE	2/22/08	PHONE	471-2526
COMMENTS					
UNIVERSITY OF NE – LB1044 would not have a direct impact on the University.					
STATE FAIR BOARD – Outline of potential expenses seems reasonable.					