

PREPARED BY: Clinton Verner  
 DATE PREPARED: January 31, 2022  
 PHONE: 402-471-0056

**LB 788**

Revision: 00

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>				
	<b>FY 2022-23</b>		<b>FY 2023-24</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
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.**

LB788 provides for a \$50,000,000 transfer to the Nebraska Rural Projects Act Cash Fund in FY21-22. LB788 provides intent to increase the appropriation from \$5,000,000 to \$25,000,000 in FY21-22 and FY22-23. The current appropriation is a General Fund Appropriation, it is assumed that this will be a Cash Fund appropriation. As the transfer and intent to appropriate occur in FY21-22, impact is not reflected in the table above.

No basis to disagree with the Department of Economic Development’s estimate that the provisions of LB788 can be accomplished with current resources.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 788	AM:	AGENCY/POLT. SUB: Department of Economic Development	
REVIEWED BY: Patrick Redmond	DATE: 1/20/2022	PHONE: (402) 471-4181	
COMMENTS: No basis to disagree with the Department of Economic Development assessment of fiscal impact from LB 788.			

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**2022**

**LB<sup>(1)</sup> 788**

**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> 1/18/2022 Phone: <sup>(5)</sup> 402-471-3777

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

	<u>FY 2021-22</u>		<u>FY 2022-23</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS		(\$50,000,000)		
CASH FUNDS		50,000,000		
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u>\$0</u>			

**Explanation of Estimate:**

LB788 seeks to transfer \$50 million to the Nebraska Rural Projects Act, changes the limit the amount any one project may receive from \$30 million to 60% of the total amount appropriated—if more than \$50 million is appropriated, and changes intent language for an appropriation to DED from \$5 million to \$25 million in FY2021-22 and FY2022-23.

The bill transfers \$50 million from the General Fund to the Nebraska Rural Projects cash fund on or after May 1, 2022. In addition, the bill adds language allowing authorized transfers from the General Fund to the Nebraska Rural Projects Fund, and strikes language allowing the cash fund to receive appropriations. LB788 contains the emergency clause, which allows the General Fund transfer to occur on May 1, 2022.

Currently, the Nebraska Rural Projects Act has \$5,000,000 appropriated from the General Fund for FY2021-22, and an additional \$5,000,000 appropriation for FY2022-23 per LB40 and LB40A (2021), in addition, DED has a General Fund appropriation to spend \$5 million this fiscal year and next, but no cash fund appropriation to spend from the Nebraska Rural Projects Fund. The bill does not have state aid earmarked, nor additional administrative expenses defined.

Because applications for the program have been accepted, DED believes that the provisions of LB788 can be accomplished with the resources appropriated for LB40 in the 2021 session.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22 EXPENDITURES</u>	<u>2022-23 EXPENDITURES</u>
	<u>21-22</u>	<u>22-23</u>		
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				