

PREPARED BY: Clinton Verner
 DATE PREPARED: February 2, 2022
 PHONE: 402-471-0056

LB 1090

Revision: 00

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2022-23		FY 2023-24	
	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.

LB1090 amends the Business Administration Act to increase the amount of loans awarded annually by the Department of Economic Development. Total awards would increase from \$2,000,000 to \$3,000,000. No impact on appropriations or administration.

No fiscal impact.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 1090	AM:	AGENCY/POLT. SUB: Department of Economic Development	
REVIEWED BY: Patrick Redmond	DATE: 2/2/2022	PHONE: (402) 471-4181	
COMMENTS: No basis to disagree with the Department of Economic Development assessment of no fiscal impact from LB 1090.			

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

2022

LB⁽¹⁾ 1090

FISCAL NOTE

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

Prepared by: ⁽³⁾ Dave Dearmont Date Prepared: ⁽⁴⁾ 1/31/2022 Phone: ⁽⁵⁾ 402-471-3777

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2022-23</u>		<u>FY 2023-24</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:

LB1090 seeks to amend Neb. Rev. Stat. § 81-12,162 of the Business Innovation Act to increase the annual cap on the amount of funds which the Department of Economic Development may award. Currently, the award cap on this section of the BIA—which requires DED to establish a small business investment program to provide grants to microloan delivery or microloan technical assistance organizations to promote microenterprises—is \$2 million. LB 1090 would allow DED to increase the maximum allocation of funds appropriated for the BIA program for these activities to \$3 million, annually. The bill contains the emergency clause, which will allow DED to expend approximately \$3.77 million more of its FY2022-23 appropriation of \$13.77 million. LB1090 would resolve an issue from LB380 (2021) that requires DED to spend at least 20% of the BIA funding on the small business investment and technical assistance program. Combined with the current \$2 million statutory cap on that portion of the BIA, DED can only use \$10 million of its appropriation. Raising the cap allows the 20% minimum to be allocated to the small business program and DED to spend the full appropriation for FY2022-23 and FY2023-24.

Because LB1090 only affects the maximum allocation to an activity, the provisions of the bill can be accomplished within current departmental resources.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2022-23</u>	<u>2023-24</u>
	<u>22-23</u>	<u>23-24</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____