

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	See Below		See Below	

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

This bill states legislative intent that eligibility requirements for federal funds pursuant to the American Rescue Plan Act used for aid shall not be more restrictive than the guidance provided by the granting authority unless otherwise mandated by state statute. The bill places a cap of \$15.8 million on federal funds for Emergency Rental Assistance allocated to the Department of Health and Human Services and \$15.2 million allocated to the Department of Economic Development. The funding in the Department of Health and Human Services is to be used for grants of no more than \$2 million to any community-based nonprofit for the purposes of eviction prevention and no more than \$3.8 million to any community-based nonprofit that currently serves households with case management intended to keep households stably housed. No more than \$10 million could be used from grants to eligible shelter providers for the purpose of alleviating homelessness, to provide temporary and permanent shelters and encourage the development of projects that link housing assistance to programs promoting self-sufficiency. Ten percent of the funds appropriated for this purpose could be used for administration. The funding in the Department of Economic Development would be used for awarding no more than \$1.8 million in grants to any community-based nonprofit that provides 24-hour telephone and internet-based assistance seven days a week to individuals in need of housing and other services intended to keep households stably housed; and no more than \$3 million to organizations that support individuals going through reentry programming or other at-risk individuals; and no more than \$10.4 million for other grants to organizations that offer services intended to keep households stably housed. Ten percent of the funds can be used for administrative expenses. The bill has the emergency clause.

The bill does not appropriate any new funding but directs current federal funding. There is no fiscal impact as the Department of Economic Development would administer the allocation of funding with existing resources and the Department of Health and Human Services' estimate of administrative costs of \$232,338 is within the 10% available for administration.

LB:	1193	AM:	AGENCY/POLT. SUB: Nebraska Department of Economic Development	
REVIEWED BY:	Ann Linneman	DATE:	2-9-2022	PHONE: (402) 471-4180
COMMENTS: No basis to disagree with the Nebraska Department of Economic Development's assessment of no fiscal impact to the agency. The maximum funding available under the federal Coronavirus State Fiscal Recovery Fund is \$1.04 billion, of which only \$520 million is currently available. Appropriation of these funds must be balanced in aggregate in order to avoid over obligation.				

LB:	1193	AM:	AGENCY/POLT. SUB: Nebraska Department of Health and Human Services	
REVIEWED BY:	Ann Linneman	DATE:	2-28-2022	PHONE: (402) 471-4180
COMMENTS: No basis to disagree with the Nebraska Department of Health and Human Services' assessment of fiscal impact. Admin costs should be under the general administration program for the agency. Appropriations from the Emergency Rental Assistance Program are subject to the remaining availability of funds.				

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

2022

LB⁽¹⁾ 1193

FISCAL NOTE

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

Prepared by: ⁽³⁾ Dave Dearthmont Date Prepared: ⁽⁴⁾ 2/16/2022 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:

LB1193 would limit any appropriations to DED for Program 601 from federal funds allocated pursuant to the American Rescue Plan Act of 2021, sec. 3201, Emergency Rental Assistance to \$15.2 million. The bill would also set maximum total expenditure limits of certain programs as follows. The total amount of grants awarded to any community-based nonprofit that provides service via telephone on a twenty-four-hour basis, seven days per week, and via Internet to individuals in need of housing and other services intended to help keep households stably housed cannot exceed \$1.8 million. The total amount of grants awarded to organizations that support individuals going through reentry programming or other at-risk individuals cannot exceed \$3 million. The total amount of grants awarded to organizations that offer services intended to help keep households stably housed cannot exceed \$10.4 million. Total expenditures for administrative expenses from funds appropriated for these purposes cannot exceed 10% of the appropriated funds.

LB1193 only creates limitations on appropriations to be funded from federal funds allocated to the State of Nebraska pursuant to the federal American Rescue Plan Act of 2021's Emergency Rental Assistance Program. As written, LB1193 does not seek to appropriate any specific amounts of funds, nor does it create any additional responsibilities for DED. Therefore, DED assumes that there would be no impact on DED's operations or staffing due to LB1193.

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.....	_____	_____	_____	_____

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name: (2) Department of Health and Human Services

Prepared by: (3) John Meals

Date Prepared 2-25-2022

Phone: (5) 471-6719

	<u>FY 2022-2023</u>		<u>FY 2023-2024</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS	\$0		\$0	
OTHER FUNDS				
TOTAL FUNDS	\$0		\$0	

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

LB1193 has an emergency clause that would appropriate a maximum of \$15,800,000 to the Department of Health and Human Services [DHHS] using the Consolidated Appropriations Act, 2021, sec. 501 Emergency Rental Assistance [ERA] for Fiscal Year 2021-2022.

\$2,000,000 would be appropriated to any community-based nonprofit organization for eviction prevention.

\$3,800,000 would be appropriated to any community-based nonprofit organization that currently serves eligible households with case management intended to keep households stable.

\$10,000,000 would be appropriated to eligible shelter providers to assist in the alleviation of homelessness and to provide temporary and permanent shelters and encourage the development of projects to link housing assistance to programs promoting self-sufficiency.

The total expenditures for administrative expenses cannot exceed more than 10 percent.

LB1193 appropriates funds to DHHS from the Consolidated Appropriations Act sec. 501 Emergency Rental Assistance Program, subject to the remaining availability of funds. Additionally, funding under this section must be obligated by September 30, 2022. Within that timeframe, DHHS will need to hire applicable temporary staff, then also process and issue agreements.

The Nebraska Homeless Assistance Program [NHAP] would require 3 temporary Program Specialists to administer these funds in addition to the regular NHAP funds. The estimated annual cost of the 3 temporary FTE's would be \$232,338. The temporary staff would be employed for a minimum of 12 months to administer the agreements and complete any necessary monitoring and closeout once the period of availability expires. The temporary staff would remain employed throughout the duration of the program. DHHS will ensure administrative costs are limited to a maximum of 10% per the legislative bill.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:

POSITION TITLE	NUMBER OF POSITIONS		2022-2023	2023-2024
	22-23	23-24	EXPENDITURES	EXPENDITURES
Benefits.....				

Operating.....		
Travel.....		
Capital Outlay.....		
Aid.....		
Capital Improvements.....		
TOTAL.....	\$0	\$0