

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2024-25		FY 2025-26	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS		See below		See below
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.

LB17 repeals the Perkins County Canal Project Act and creates the following transfers to the following funds:

Transfer amount	Transfer source	Transfer location	Date
\$12,000,000	Perkins County Canal Project Fund	Economic Recovery Contingency Fund	1/1/2025
\$7,000,000	Perkins County Canal Project Fund	Museum Construction and Maintenance Fund	1/1/2025
\$16,400,000	Perkins County Canal Project Fund	Inland Port Authority Fund	1/1/2025
Remaining unobligated balance of Perkins County Canal Project Fund	Perkins County Canal Project Fund	Property Tax Credit Cash Fund	1/1/2025

We concur with the Department of Natural Resource’s contractual obligations under the fund. We estimate approximately \$571,400,000 will be transferred from the Perkins County Canal Project Fund to the Property Tax Credit Cash Fund on 1/1/2025.

Technical note: LB17 terminates the Perkins County Canal Project Act (61-301 – 61-304) without an emergency clause making the effective date of the legislation 90 after sine die. As such the Department may lack the powers and authority to continue with the contracts it has signed, which may necessitate the termination of the contracts. Should that be the case, we estimate the transfer from the Perkins County Canal Project Fund to the Property Tax Credit Fund will be approximately \$586,100,000.

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

2024

LB⁽¹⁾ 17

FISCAL NOTE

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

Prepared by: ⁽³⁾ Dave Dearmont Date Prepared: ⁽⁴⁾ 7/25/2024 Phone: ⁽⁵⁾ 402-471-3777

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2024-25</u>		<u>FY 2025-26</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:

LB17 would eliminate the Perkins County Canal Project Fund and transfer unobligated funds to the Property Tax Credit Cash Fund. The bill would amend Sections 13 and 14 of LB164 (2024) that relate to transfers from interest earned on the Perkins County Canal Project Fund to the Economic Recovery Contingency Fund, the Museum Construction and Maintenance Fund and the Inland Port Authority Fund. On January 1, 2025, the Treasurer would transfer the total amounts due to each of the three funds that were to receive interest payments from the Perkins County fund minus any interest received prior to January 1. The remaining unobligated funds would then be transferred to the Property Tax Credit Cash Fund.

LB17 would affect the timing of the transfers to the Economic Recovery Contingency Fund (\$12 million), the Museum Construction and Maintenance Fund (\$7 million) and the Inland Port Authority Fund (\$16.4 million) but not the final amounts.

The bill would result in no fiscal impact on DED’s operations of funding.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25</u>	<u>2025-26</u>
	<u>24-25</u>	<u>25-26</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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

2024

LB⁽¹⁾ 17

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Department of Natural Resources

Prepared by: ⁽³⁾ Emily Rose Date Prepared: ⁽⁴⁾ 07/25/2024 Phone: ⁽⁵⁾ 402 471-1681

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2024-25</u>		<u>FY 2025-26</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>\$(62,800,000)</u>	<u>\$0</u>	<u>\$(62,800,000)</u>	<u>0</u>
CASH FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FEDERAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
OTHER FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Explanation of Estimate:

This bill requires the State Treasurer to transfer unobligated money and interest earnings from the Perkins County Canal Project Fund remaining on January 1, 2025, and for subsequent termination of the fund. The Department has \$27,597,667 of total current contractual obligations with \$6,443,880.49 having been dispersed from the fund to date. With the total fund balance starting at \$628 million, LB 17 would transfer an estimated \$594 million out of the Perkins County Canal Fund into the General Fund

The amounts shown in the first section relate to the base appropriation for the Perkins County Canal Project of \$62.8 million every year.

Existing contractual obligations will need to be terminated and remaining invoices paid to those contractors reducing the remaining balance in the fund that would be transferred on January 1, 2025

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25</u>	<u>2025-26</u>
	<u>24-25</u>	<u>25-26</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
			<u>\$0</u>	<u>\$0</u>
Benefits.....			<u>\$0</u>	<u>\$0</u>
Operating.....			<u>\$0</u>	<u>\$0</u>
Travel.....			<u>\$0</u>	<u>\$0</u>
Capital outlay.....			<u>\$0</u>	<u>\$0</u>
Aid.....			<u>\$0</u>	<u>\$0</u>
Capital improvements.....			<u>\$0</u>	<u>\$0</u>
TOTAL.....			<u>\$0</u>	<u>\$0</u>