

# FISCAL NOTE

## LEGISLATIVE FISCAL ANALYST ESTIMATE

### ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)

	FY 2025-26		FY 2026-27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		See below		See below
CASH FUNDS	See below	See below	See below	See below
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below	See below	See below	See below

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

LB254 creates intent to transfer \$25M from the General Fund to the Rural Workforce Housing Investment Fund in FY25-26 and FY26-27. Should the bill be funded to its intent there would be a \$25,000,000 General Fund revenue reduction in FY25-26 and FY26-27 and a Rural Workforce Housing Investment Fund revenue gain of \$25,000,000 in FY25-26 and FY26-27. No basis to disagree with the Department's estimates for administration should appropriation be provided.

Of note, 81-1230 (6) states, "Beginning July 1, 2027, any funds held by the department in the rural Workforce Housing Investment Fund shall be transferred to the General Fund."

#### ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 254 AM: AGENCY/POLT. SUB: Department of Economic Development

REVIEWED BY: Ryan Yang DATE: 2/7/2025 PHONE: (402) 471-4178

COMMENTS: Concur with the Department of Economic Development assessment of fiscal impact from LB 254.

Technical Note: The current transfer intent language is not sufficient to execute a transfer of funds nor to create an appropriation. The fiscal impact assessment assumes a transfer and an accompanying A-bill articulating appropriation in accordance with §49-804.

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

**2025**

**LB<sup>(1)</sup> 254**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Department of Economic Development

Prepared by: <sup>(3)</sup> Dave Dearmont Date Prepared: <sup>(4)</sup> 1/17/2025 Phone: <sup>(5)</sup> (402) 471-3777

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

	<b>FY 2025-26</b>		<b>FY 2026-27</b>	
	<b><u>EXPENDITURES</u></b>	<b><u>REVENUE</u></b>	<b><u>EXPENDITURES</u></b>	<b><u>REVENUE</u></b>
GENERAL FUNDS				
CASH FUNDS	\$56,830		\$56,830	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u>\$56,830</u>		<u>\$56,830</u>	

**Explanation of Estimate:**

LB 254 contains intent language to transfer \$25 million from the General Fund to the Rural Workforce Housing Investment Fund in fiscal years 2025-26 and 2026-27, to provide grants under the RWHI act.

The department believes that the only additional costs to implement LB254 would be \$56,830 for software licensing for the department's grant management system.

The transferred funds to the RWHI act do not appear to be appropriated to DED for its use.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<b><u>POSITION TITLE</u></b>	<b><u>NUMBER OF POSITIONS</u></b>		<b><u>2025-26</u></b>	<b><u>2026-27</u></b>
	<b><u>25-26</u></b>	<b><u>26-27</u></b>	<b><u>EXPENDITURES</u></b>	<b><u>EXPENDITURES</u></b>
Benefits.....				
Operating.....			\$56,830	\$56,830
Travel.....				
Capital outlay.....				
Aid.....			24,943,170	24,943,170
Capital improvements.....				
TOTAL.....			<u>\$25,000,000</u>	<u>\$25,000,000</u>