

Revised based upon additional information.

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2009-10		FY 2010-11	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	48,000 – 83,000		48,000 – 83,000	
CASH FUNDS	See below	See below	See below	See below
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below	See below	See below	See below

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 646 would establish the Livestock Growth Act. The Department of Agriculture and the Department of Economic Development would be directed to establish a livestock growth evaluation process to assist counties that have been designated as a livestock friendly county. The agencies would develop a revolving loan program that would be administered by the Department of Economic Development for infrastructure development to facilitate the growth of livestock production. Loans would be interest-free, could not exceed \$200,000 per project would repayment would be required in five years. The fiscal impact of LB 646 would include:

Livestock Growth Act Revolving Loan Fund -- A \$50,000 transfer from the Building Entrepreneurial Communities Cash Fund to the Livestock Growth Act Revolving Loan Fund would be carried out on July 1, 2009. This transfer would be from one cash fund to another and would have no net impact to the Department of Economic Development. LB 646 also states in intent that the Nebraska Corn Board provide a \$100,000 grant to the program and that the General Fund appropriation to the Agricultural Opportunities and Value-Added Partnerships Act be reduced by \$100,000 and reallocated to the revolving fund. Because the transfers are stated as intent and no transfer date is specified, it is not known when additional revenue would be received into the Livestock Growth Act Revolving Loan Fund. It is anticipated that there could be small grants approved from the Fund as early as FY09-10.

Department of Agriculture and Department of Economic Development expenses – Because LB 646 does not allow for the agencies to offset expenses from the Revolving Loan Fund, it is estimated that expenses for both the Department of Agriculture and the Department of Economic Development would come from the General Fund.

The Department of Agriculture estimates that it would hire 1 FTE staff position to carry out the evaluation and promotional assistance portions of LB 646. The department estimates that the position and related operating and travel costs would total \$71,944 in FY09-10 and \$69,944 in FY10-11. It is estimated that the program could also be jointly administered using .50 FTE in the Department of Agriculture at a cost of \$35,972 in FY09-10 and \$34,722 in FY10-11.

The Department of Economic Development states that it would hired .25 FTE position to carry out the act; costs for the position and related operating and travel costs would total \$11,250, in FY09-10 and \$11,250 in FY10-11.

Total administrative costs are expected to range between \$48,000 and \$83,000.

Nebraska Corn Board expenses – If the Nebraska Corn Board was to award a grant to the Livestock Growth Act Revolving Loan Fund as stated in legislative intent in LB 646, there would be a \$100,000 expenditure made by the agency. It is estimated that the grant would occur in FY09-10 or FY10-11.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Gary Bush	DATE	2/25/09	PHONE	471-2526
COMMENTS					
DEPT. OF AGRICULTURE – Estimate of impact appears reasonable.					
CORN BOARD – No basis to disagree with agency's estimate of impact.					
ECONOMIC DEVELOPMENT – Estimates of impact appear to be reasonable.					
ENVIRONMENTAL CONTROL – Agree with estimate of impact.					