

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)					
EXPENDITURES	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	SEE BELOW	0	0	0	SEE BELOW
FY2027-2028	SEE BELOW	0	0	0	SEE BELOW
FY2028-2029	0	0	0	0	0
REVENUE	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	SEE BELOW	0	0	0	SEE BELOW
FY2027-2028	SEE BELOW	0	0	0	SEE BELOW
FY2028-2029	SEE BELOW	0	0	0	SEE BELOW

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

LB 1189 establishes the You Earned It Pilot Program (program) to raise awareness of the Earned Income Tax Credit (EITC) among low-income Nebraskans. The purpose of the program is to increase access to and utilization of the EITC by eligible individuals through grants to qualifying nonprofit organizations. The program shall be administered by the Department of Revenue (DOR).

Under the bill, it is the intent of the Legislature to appropriate \$250,000 from the General Fund for FY27 to the DOR for carrying out the pilot program.

The DOR shall establish application procedures, eligibility criteria, and reporting requirements for grant recipients. Grant funds may be used for outreach, education, assistance, and related activities that help eligible individuals understand, claim, and receive the EITC. The DOR shall ensure that grants are distributed in a manner that promotes geographic and demographic equity across the state.

Grants awarded under the program may be made to nonprofit organizations that serve low-income Nebraskans.

Grants shall be awarded to eligible nonprofit organizations no later than October 1, 2026.

The DOR shall evaluate the success of the program and electronically submit a report of such evaluation to the Clerk of the Legislature on or before December 15, 2027.

The bill is operative July 1, 2026.

The bill contains the emergency clause.

The DOR estimates that there may be a negative, but indeterminable impact to General Fund revenues due to the increase in awareness and usage of the EITC. There is no basis to disagree with this estimate.

The bill creates intent to appropriate \$250,000 from the General Fund for FY27. No basis to disagree with DOR's administrative cost estimates should funds be appropriated. These administrative costs for 1.0 FTE Revenue Tax Specialist Senior totaling \$207,400 over a two-period are estimated to reduce the \$250,000 for the pilot program, so that \$42,600 would be available for grants under the bill.

