

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				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

LB 265, section 1, directs state unemployment insurance tax revenue collected under section 48-602 to the Workforce Development Program Cash Fund. Current statute directs such funds to the State Unemployment Insurance Trust Fund.

Section 2 terminates the State Unemployment Insurance Trust Fund on July 1, 2025 and directs the transfer of any money in the fund to the Workforce Development Program Cash Fund.

Section 3 terminates the Nebraska Training and Support Cash Fund and directs the transfer or any money in the fund to the Workforce Development Program Cash Fund on July 1, 2025. Grants awarded but unpaid from the Nebraska Training and Support Cash Fund prior to July 1, 2025 shall be paid from the Workforce Development Program Cash Fund if all conditions of the grant award have been met.

Section 5 eliminates language requiring the state unemployment insurance tax rate to be zero percent under certain conditions.

Section 8 terminates and transfers any money in the Sector Partnership Program Fund on July 1, 2025 to the Workforce Development Program Cash Fund.

Section 9 provides for authorized uses of the Workforce Development Program Cash Fund including:

- Providing workforce development grants;
- Paying the costs of administering the workforce development grant program;
- Paying the costs of establishing, assessing, collecting, and maintaining state unemployment insurance tax liability and payments;
- Paying unemployment benefits if determined necessary by the Commissioner of Labor; and,
- Providing labor availability, skills gap, and workforce development studies and reports by the Department of Labor

Section 13 is the outright repeal of section 48-622.03. That section of statute creates the Nebraska Worker Training Board.

The Department of Labor estimates no fiscal impact. This estimate appears to be reasonable.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 265	AM:	AGENCY/POLT. SUB: Department of Labor	
REVIEWED BY: Ryan Yang	DATE: 1/30/2025	PHONE: (402) 471-4178	
COMMENTS: Concur with the Department of Labor assessment of no fiscal impact from LB 265.			

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

2025

LB⁽¹⁾ 265

FISCAL NOTE

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

Prepared by: ⁽³⁾ Rea Easton Date Prepared: ⁽⁴⁾ 1/23/2025 Phone: ⁽⁵⁾ 402-416-6809

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2025-26</u>		<u>FY 2026-27</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: There is no fiscal impact to the Nebraska Department of Labor for LB 265.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____