

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 293 changes provisions related to the Professional Employer Organization Registration Act.

LB 293 requires any health benefit plan offered by a professional employer organization to its covered employees to meet certain requirements such as being fully insured by an authorized insurer or being self-funded.

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

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

2025

LB⁽¹⁾ 293 Revised

FISCAL NOTE

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

Prepared by: ⁽³⁾ Rea Easton Date Prepared: ⁽⁴⁾ 1/30/2025 Phone: ⁽⁵⁾ 402-416-6809

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2025-26		FY 2026-27	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>266,358</u>	<u> </u>	<u>272,186</u>	<u> </u>
CASH FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
FEDERAL FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
OTHER FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>266,358</u>	<u> </u>	<u>272,186</u>	<u> </u>

Explanation of Estimate: LB293 amends the Nebraska Professional Employers Organization (PEO) Registration Act. The bill requires PEOs that offer a health benefit plan to file annual financial statements with the Department of Labor. Those annual statements must include information regarding the financial solvency of the health benefit plans to ensure the plans are sufficient to pay claims and associated expenses. The Department of Labor must review those annual statements to ensure the PEO health benefit plan remains solvent. Such a review would require an actuarial analysis to be done by NDOL staff and will require employment of individuals with professional expertise to complete such a review. One Examiner/Actuarial position will be needed, or the position could be contracted.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	NUMBER OF POSITIONS		2025-26	2026-27
	<u>25-26</u>	<u>26-27</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Examiner/Actuarial	<u>1.0</u>	<u>1.0</u>	<u>179,108</u>	<u>184,482</u>
Benefits.....			<u>64,597</u>	<u>66,534</u>
Operating.....			<u>22,653</u>	<u>21,170</u>
Travel.....			<u> </u>	<u> </u>
Capital outlay.....			<u> </u>	<u> </u>
Aid.....			<u> </u>	<u> </u>
Capital improvements.....			<u> </u>	<u> </u>
TOTAL.....			<u>266,358</u>	<u>272,186</u>