

PREPARED BY: Scott Danigole
 DATE PREPARED: January 27, 2025
 PHONE: 402-471-0055

LB 504

Revision: 00

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	\$72,149		\$147,752	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$72,149		\$147,752	

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

LB 504 is the Age-Appropriate Online Design Code Act.

Section 2 provides definitions for the act.

Under LB 504, a covered online service is required to exercise reasonable care in a user’s personal data and in the design and implementation of covered online service to prevent harm in certain areas, such as severe emotional distress, identity theft and severe psychological harm.

A covered online service shall provide users with access to easy-to-use tools to limit the ability of other users or visitors to communicate with the user, prevent others from viewing personal data, prevent artificial intelligence from utilizing personal data, and similar items.

Section 6 requires a covered online service to only collect and use the minimum amount of a user’s personal data necessary to provide the specific elements of an online service with which a user has knowingly engaged. Personal data shall only be retained as long as necessary to provide the specific elements of an online service with which a user has knowingly engaged. Certain other restrictions are enumerated in LB 504.

Section 7 requires a covered online service to treat all users of a covered online service as a minor unless the service had actual knowledge that the user is not a minor. Additionally, parents of such minors shall be provided with tools to help protect and support minors using the services.

The Attorney General shall enforce the act and may investigate compliance.

Section 13 provides an operative date of January 1, 2026.

The Attorney General estimates the need for 1.0 Assistant Attorney General position, with related benefits. This estimate appears to be reasonable. It should be noted that as similar programs have been created in the past, future needs for the agency often grow due to programmatic success and greater citizen awareness.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 504 Amended	AM:	AGENCY/POLT. SUB: Attorney General	
REVIEWED BY: Jacob Leaver	DATE: 1/29/2025	PHONE: (402) 471-4173	
COMMENTS: Disagree with the Attorney General’s estimated fiscal impact as a result of LB 504. The previously submitted fiscal note mentioned 0.5 FTE while the amended fiscal note mentions 1.0 FTE without an amendment.			

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

2025

LB⁽¹⁾ 504 (Amended)

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Attorney General

Prepared by: ⁽³⁾ Bebe Strnad Date Prepared: ⁽⁴⁾ 1-28-25 Phone: ⁽⁵⁾ 402-471-2687

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2025-26		FY 2026-27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	72,149		147,752	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	72,149		147,752	

Explanation of Estimate:

LB504 mandates that the Attorney General shall enforce the Age Appropriate Online Design Code Act. Investigation and litigation involving digital technology tends to be highly complex and time consuming. The Attorney General does not currently have sufficient attorney staff to enforce this Act and would be required to hire an additional assistant attorney general (one FTE attorney). This bill does not go into effect until January 1, 2026.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2025-26	2026-27
	25-26	26-27	EXPENDITURES	EXPENDITURES
Assistant Attorney General	1.0	1.0	50,000	103,000
Benefits.....			22,149	44,752
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			72,149	147,752