

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

Revised per AM1656

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	0	675,000	0	0	675,000
FY2027-2028	0	1,350,000	0	0	1,350,000
FY2028-2029	0	1,350,000	0	0	1,350,000
REVENUE	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	0	675,000	0	0	675,000
FY2027-2028	0	1,350,000	0	0	1,350,000
FY2028-2029	0	1,350,000	0	0	1,350,000

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

LB576 as amended by AM1656, removes one of the two different monthly surcharge caps currently in § 86-1070(1). The bill removes the 50¢ maximum surcharge, which wireless carriers collect from customers whose primary place of use is in a county containing a city of the metropolitan class. Instead of the 50¢ surcharge cap, these customers would be placed under the same 70¢ maximum surcharge as those other counties without a city of the metropolitan class. Thus, there would only be one maximum surcharge collected by the wireless carriers each month of up to 70¢ for all active telephone numbers or functional equivalents in Nebraska. Additionally, in § 86-1071, this bill directs the Public Service Commission (PSC) to have an annual public hearing to determine the revenue amount that needs to be collected for the 911 Service System Fund for the following year. The goal must be to maximize the operational support for all public safety answering points in the state.

This bill would become effective three calendar months after the adjournment of the Legislature.

Expenditures:

The PSC has noted that additional agency duties, are not likely from this bill. Additional revenues realized would be directed towards the operational expenditures of the 911 Service System, to maximize the support for the Public Safety Answering Points (PSAPs) as required in the bill. Thus, PSC's total expenditures would equal their total revenues.

The Department of Administrative Services Office of the Chief Information Officer (OCIO) estimates that this bill would affect approximately 11,000 wireless phone numbers assigned to the State of Nebraska. The maximum surcharge would be raised for these customers from 50¢ up to 70¢. If the fees charged by the PSC were set to be the full maximum amount allowed under this bill, these 11,000 phones would be billed an extra 20¢ each per month. These 11,000 wireless phones are used by different agencies across the state. The OCIO would first pay the bill with revolving funds and then charges each agency accordingly.

The LFO is estimating the monthly increase in expenditures that OCIO would pay and pass on to the other agencies to be \$2,200 per month or \$26,400 annually in revolving fund expenditures in FY2027-28, with only half that or \$13,200 in FY2026-27. This small yearly expense would be charged to many different state agencies, and OCIO would be reimbursed. The LFO assumes the effect on each agency's expenditures would be minimal and absorbed within their existing appropriations.

Revenues:

The PSC estimates \$1,350,000 in additional cash fund revenue in FY2027-28 from raising the surcharge maximum on the wireless customers whose primary place of use is in a county containing a city of the metropolitan class. In the last half of FY2026-27, the cash fund revenue would be approximately \$675,000. These revenues would only be realized after the PSC would take formal action each year to set the rates up to the maximum surcharge allowed in statute.

There is no basis to disagree with the PSC's estimations of fiscal impact.

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2025

LB⁽¹⁾ 576 AM 1656

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Department of Administrative Services (DAS) – Office of the Chief Information Officer (OCIO)

Prepared by: ⁽³⁾ Noah Finlan Date Prepared: ⁽⁴⁾ 2/23/2026 Phone: ⁽⁵⁾ 402-471-4385

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	_____	_____	_____	_____
REVOLVING FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

The bill, as written, would change all wireless carrier surcharges that are being collected to an amount up to \$0.70 per line as opposed to the current \$.50 per line. As of the completion of this fiscal note, there are roughly 11,000 wireless phone numbers assigned to the state of Nebraska. This would result in a potential increase in the surcharge collected by a maximum of \$2,200 annually ($\$0.70 - \$0.50 = \0.20; $\$0.20 \times 11,000 = \$2,200$).

The DAS-OCIO could absorb this increase with existing revolving fund appropriation. The increase in the surcharge amount would be passed on to the various state agencies.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26 EXPENDITURES</u>	<u>2026-27 EXPENDITURES</u>
	<u>25-26</u>	<u>26-27</u>		
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	\$2,300	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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

2026

LB⁽¹⁾ 576, AM1656

FISCAL NOTE

State Agency OR Political Subdivision
Name: ⁽²⁾

Public Service Commission

Prepared by: ⁽³⁾ Laurie Casados

Date Prepared: ⁽⁴⁾ 2/20/2026

Phone: ⁽⁵⁾ 402-471-0252

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2026-27		FY 2027-28	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	675,000	675,000	1,350,000	1,350,000
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	675,000	675,000	1,350,000	1,350,000

Explanation of Estimate:

Under current law, the maximum monthly wireless 911 surcharge for active wireless telephone numbers in Nebraska is capped at \$0.70 statewide, except in Douglas County, where the maximum monthly rate is capped at \$0.50. LB 576, AM1656 would equalize the wireless 911 surcharge rate for residents in all Nebraska counties.

The wireless 911 surcharge is determined annually by the Public Service Commission following a public hearing. The surcharge is collected by wireless carriers and remitted to the Commission for deposit into the 911 Service System Fund. Monies in the Fund may be used solely to support the provision of 911 services statewide.

Rates are established annually for the upcoming calendar year, and the Commission reviews the surcharge level necessary to meet projected expenditures. As amended, this bill would authorize the Commission to establish a statewide rate of up to \$0.70; however, the Commission would still need to take formal action to set the rate for calendar year 2027. We estimate that the potential revenue increase could be up to approximately \$1,350,000 annually, beginning in January 2027.

The impact of the language directing the Commission to “maximize operational support” for PSAPs is unclear. However, any additional revenue would be applied toward operational costs of the 911 Service System, including increased overall support for PSAPs.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2026-27 EXPENDITURES	2027-28 EXPENDITURES
	26-27	27-28		
Benefits				
...				
Operating				
....				
Travel				
.				
Capital				

outlay.....
Aid.....
.
Capital
improvements.....
TOTAL.....

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 576	AM: 1656	AGENCY/POLT. SUB: Public Service Commission
REVIEWED BY: Joe Massey	DATE: 2/24/2026	PHONE: (402) 471-4181
COMMENTS: The Public Service Commission's assessment of fiscal impact from LB 576 AM 1656 appears reasonable using the assumptions provided		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 576	AM: 1656	AGENCY/POLT. SUB: : Department of Administrative Services – Office of the Chief Information Officer
REVIEWED BY: Joe Massey	DATE: 2/24/2026	PHONE: (402) 471-4181
COMMENTS: The Department of Administrative Services – Office of the Chief Information Officer assessment of no net fiscal impact from LB576 AM 1656 appears reasonable.		