

As amended by AM 959 & AM 1272

# 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	\$50,000		\$50,000	
CASH FUNDS	\$30,000			
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$80,000		\$50,000	

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

LB 644 adopts the Foreign Adversary and Terrorist Agent Registration Act and the Crush Transnational Repression in Nebraska Act (Act). Sections 1 to 13 of this act shall be known and may be cited as the Foreign Adversary and Terrorist Agent Registration Act whose purpose is to provide transparency for the political and propaganda activities and influence operations of agents of adversary nations and foreign terror organizations in Nebraska as defined in the bill. Sections 14 to 21 of this act shall be known and may be cited as the Crush Transnational Repression in Nebraska Act whose purpose is to counter the threat and practice of transnational repression committed by foreign governments or foreign terrorist organizations against the citizens and residents of this state, and to counter the threat and practice of foreign government interstate harassment through extranational enforcement of foreign government laws and directives.

As amended, by AM 959 and AM 1272, the provisions of section 11 removed the requirements that all business and nonprofit organizations operating in the state of Nebraska submit annual attestations to the Secretary of State (SOS) but rather submit these attestations in the business and nonprofit organizations biannual reports in each odd-number year, which eliminates the immediate fiscal impact to the Secretary of State. The SOS will request additional funding, as new duties are expanded, in a mid-biennial deficit budget request.

The amended provisions in section 11 also changes the duties of the Attorney General's (AG) office. The Act would require the AG's office to retain copies of statements as public records available for inspection; transmit statements to the United States Secretary of State; and report to the Legislature every six months concerning administration of the Act. The Attorney General must also create a portal on the AG's website with information about each registrant and their activities and post a monthly report on the portal. The AG's office estimates the cost of the website and data collection would be \$30,000.

Willful violations of the Act or any rules promulgated under the Act are subject to civil penalties, and the AG can seek injunctive relief against violators or an order directing compliance. There are also provisions allowing the Attorney General to adopt rules and regulations. This Act creates new responsibilities and duties on the AG that do not fit within the duties of any existing bureau. To implement the Act, the AG would need to decide which bureau would be responsible, or if it should be handled separate from any bureau. Without knowing just how many persons may fit within the Act's registration requirements, it is difficult to assess fiscal impact. These are all new duties that will take attorney and staff time to create forms, make changes to our website, perform reporting functions, and handle enforcement. Increased costs cannot be readily quantified at this time. The AG's office anticipates that once the final costs for these new duties are identified, the additional funding will be requested in the mid-biennium.

As amended, the Nebraska Accountability and Disclosure Commission (NADC) may assess a civil penalty of \$100,000 or more against violators of the Act. Additionally, a reward of \$50,000 must be paid to any person who provided the information that resulted in the finding of a violation. However, the actual collection of the penalty could prove difficult and the payment of the reward is contingent upon the collection of the civil penalty. The NADC would be responsible for the investigation of the violations of the Act and may need to obtain the services of an independent investigator which is anticipated to cost \$50,000 annually. However, the total investigative costs are indeterminate but may be significant. If additional costs are incurred, the Commission may need to request the additional funding in the mid-biennium.

The amendments change the language, in sections 19-21, regarding the duties of the State Patrol to prepare reports, develop training, website development, develop a public awareness campaign and report to the Legislature from a requirement to optional language. No fiscal impact.

The Act, under section 11 as amended, also requires the Department of Administrative Services (DAS) to develop a form that each employee of the State of Nebraska or any state agency shall submit a signed affidavit to his or her employer attesting that the employee is not an agent of a foreign principal from an adversary nation or foreign terrorist organization.

LB 644, as amended, modifies the Foreign Adversary Contracting Prohibition Act to include and define unmanned aircraft and allows a public entity to enter into a contract for the procurement of unmanned aircraft if such contract is entered into prior to July 1, 2026. A public entity is prohibited from using any unmanned aircraft procured on or after July 1, 2028.

The Department of Administrative Services would be able to make these changes using current resources. No fiscal impact.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 644	AM: 959, 1272	AGENCY/POLT. SUB: Accountability & Disclosure Commission	
REVIEWED BY:	Jacob Leaver	DATE: 5/12/2025	PHONE: (402) 471-4173
COMMENTS: No basis to dispute the Accountability and Disclosure Commission's estimated fiscal impact as a result of LB 644 AM 959, 1272			

LB<sup>(1)</sup> 644, AM 959, AM 1272

FISCAL NOTE

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska State Patrol

Prepared by: <sup>(3)</sup> Carol Aversman

Date Prepared: <sup>(4)</sup> 05/12/2025

Phone: <sup>(5)</sup> 402-471-4545

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2025-26		FY 2026-27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Explanation of Estimate:  
LB 644 adopts the Foreign Adversary and Terrorist Agent Registration Act and the Crush Transnational Repression in Nebraska Act. Amendment 959 changes the provisions of the bill to provide the option to the State Patrol of performing a number of functions, rather than requiring these functions. These include the following: (1) the State Patrol may prepare an empirical and qualitative report on the threat of transnational repression in Nebraska and electronically submit such report to the Legislature, (2) the Patrol may develop a transnational repression recognition and response training, (3) the Patrol may develop a centralized and convenient website that allows members of the public to report instances of transnational repression including options for reporting in languages commonly spoken in Nebraska, (4) the Patrol may conduct a public awareness campaign to inform the public how to identify and report instances of transnational repression, how to use the website created, and the tools and remedies available to victims of transnational repression, and (5) the Patrol may electronically submit a report to the Legislature concerning complaints received on the website, the outcomes of such complaints, and any instances of interference by foreign principals in the reporting process.

Because Amendment 959 changes the provisions of the bill to be permissive, rather than required, the State Patrol estimates that there will be **no fiscal impact** as a result of this bill.

The Patrol also estimates that Amendment 1272 will also result in **no fiscal impact** to the State Patrol.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:				
POSITION TITLE	NUMBER OF POSITIONS		2025-26	2026-27
	25-26	26-27	EXPENDITURES	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				

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

**2025**

**LB<sup>(1)</sup>** 644, AM59, AM1272

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Attorney General

Prepared by: <sup>(3)</sup> Bebe Strnad Date Prepared: <sup>(4)</sup> 5-12-25 Phone: <sup>(5)</sup> 402-471-2687

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<b><u>FY 2025-26</u></b>		<b><u>FY 2026-27</u></b>	
	<b><u>EXPENDITURES</u></b>	<b><u>REVENUE</u></b>	<b><u>EXPENDITURES</u></b>	<b><u>REVENUE</u></b>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	<u>30,000.</u>	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>30,000.</u>	_____	_____	_____

**Explanation of Estimate:**

LB 644 would create the Foreign Adversary and Terrorist Agent Registration Act. The Act would require persons acting as agents of foreign principals from adversary nations or foreign terrorist organizations to file registration statements with the Attorney General. The statements must be filed under oath on a form prescribed by the Attorney General. The form requires specific information and such other statements or information the Attorney General may require. There are provisions requiring the Attorney General to: (1) Retain copies of statements as public records available for inspection; (2) Transmit statements to the United States Secretary of State; and (3) Report to the Legislature every six months concerning administration of the Act. The Attorney General must also create a portal on the AG's website with information about each registrant and their activities and post a monthly report on the portal. Willful violations of the Act or any rules promulgated under the Act are subject to civil penalties, and the AG can seek injunctive relief against violators or an order directing compliance. There are also provisions allowing the Attorney General to adopt rules and regulations.

This Act creates new responsibilities and duties on the AG that do not fit within the duties of any existing bureau. To implement the Act, we would need to decide which bureau would be responsible, or if it should be handled separate from any bureau. Without knowing just how many persons may fit within the Act's registration requirements, it is difficult to assess fiscal impact. These are all new duties that will no doubt take attorney and staff time to create forms, make changes to our website, perform reporting functions, and handle enforcement. Increased costs cannot be readily quantified at this time.

A data breach website and data cost would be a \$30,000 cost to our agency.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<b><u>POSITION TITLE</u></b>	<b><u>NUMBER OF POSITIONS</u></b>		<b><u>2025-26</u></b>	<b><u>2026-27</u></b>
	<b><u>25-26</u></b>	<b><u>26-27</u></b>	<b><u>EXPENDITURES</u></b>	<b><u>EXPENDITURES</u></b>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	<u>30,000.</u>	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____

Capital improvements.....		
TOTAL.....	30,000.	

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

**2025**

**LB<sup>(1)</sup>** 644 AM959 AM1272

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Secretary of State

Prepared by: <sup>(3)</sup> Joan Arnold Date Prepared: <sup>(4)</sup> 5-12-2025 Phone: <sup>(5)</sup> 402-471-2384

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<b><u>FY 2025-26</u></b>		<b><u>FY 2026-27</u></b>	
	<b><u>EXPENDITURES</u></b>	<b><u>REVENUE</u></b>	<b><u>EXPENDITURES</u></b>	<b><u>REVENUE</u></b>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

It is anticipated that Section 11, as written in AM1272, will have no significant fiscal impact on our office. If there are unexpected fiscal implications, we would bring those forward in a future deficit budget request.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

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

# 2025

## FISCAL NOTE

Prepared by: (3) David Hunter Date Prepared: (4) 5/09/2025 Phone: (5) 402-471-2522

## 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	50,000.00		50,000.00	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	50,000.00		50,000.00	

Enactment of this bill would place a new investigative responsibility on the Nebraska Accountability and Disclosure Commission (NADC). The NADC may need to obtain the services of an independent investigator which may cost \$50,000. Because this is a new area of potential investigation, the costs to the NADC are difficult to estimate but could be large. Additionally, some costs for updating our forms, brochures, and guides would be required but could be covered within the \$50,000 total increase.

If a violation is found under this bill, the Commission may assess a civil penalty of \$100,000.00 or potentially more against the violator. However, actual collection of the penalty could prove difficult so actual revenue is not projected.

Additionally, as the amended bill is presently written, a reward of \$50,000 must be paid to any person who provided information that resulted in the finding of a violation. However the payment of this reward is contingent upon the collection of the civil penalty mentioned in the previous paragraph and therefore is not a concern.

### BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

### Personal Services:

PERSONAL SERVICES	NUMBER OF POSITIONS		2025-26	2026-27
	POSITION TITLE	25-26	26-27	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				

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

**2025**

**LB<sup>(1)</sup> 644 AM 959 AM 1272**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Department of Administrative Services (DAS) – Materiel  
Division; State Personnel Division

Prepared by: <sup>(3)</sup> Michelle Potts Date Prepared: <sup>(4)</sup> 5/9/2025 Phone: <sup>(5)</sup> 402-432-0121

**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:

LB 644 as modified by AM 959 and AM 1272 (Sec. 26, to be renumbered as Sec. 27) modifies the Foreign Adversary Contracting Prohibition Act to include and define “unmanned aircraft” and allows a public entity to enter into a contract for the procurement of unmanned aircraft if such contract is entered into prior to July 1, 2026. A public entity is prohibited from using any unmanned aircraft procured on or after July 1, 2028.

The Department of Administrative Services would be able to make such changes to current procedures utilizing existing resources and staffing.

LB 644 with AM959 and AM 1272 has no fiscal impact to the Department of Administrative Services.

**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.....	_____	_____	_____	_____