

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2021-22		FY 2022-23	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$107,300		\$109,028	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$107,300		\$109,028	

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

LB 603 is the Organized Consumer Product Theft Protection Act.

Section 2 provides definitions for the Act.

Section 3 requires an online marketplace to require any high volume third-party seller to provide the following information within twenty-four hours after becoming a high-volume third-party seller:

- Bank account information, the accuracy of which has been confirmed directly by the online marketplace or by a payment processor or other third-party contracted by the online marketplace, or, if the seller does not have a bank account, the name of the payee for payments issued by the online marketplace to the seller;
- Contact information;
- A business tax identification number or, if the seller does not have a business tax identification number, a taxpayer identification number; and
- A statement regarding whether the seller is exclusively advertising or offering the consumer product or products on the online marketplace or if the seller is currently advertising or offering for sale the same consumer product or products on any other Internet web sites other than the online marketplace.

Section 4 requires an online marketplace to verify the information provided in section 3 within three days after receipt and verify any changes to such information within three days after receipt of such changes from a high-volume third-party seller.

Section 6 requires an online marketplace to disclose to consumers, in a conspicuous manner on the product listing of any high-volume third-party seller, a reporting mechanism that allows for electronic and telephonic reporting of suspicious marketplace activity to the online marketplace and a message encouraging individuals seeking goods for purchase to report suspicious activity to the online marketplace.

Section 7 requires an online marketplace that warehouses, distributes, or otherwise fulfills a consumer product order to disclose to the consumer the identification of any high-volume third party seller supplying the consumer product if different than the seller listed on the product listing page.

Section 8 provides powers and duties to the Attorney General for violations of the Act, which shall be a deceptive trade practice under the Uniform Deceptive Trade Practices Act.

The Attorney General estimates the need for 1.0 additional FTE and related benefits to address the additional workload associated with the provisions of LB 603. This estimate appears to be reasonable.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 603	AM:	AGENCY/POLT. SUB: Nebraska Attorney General (11)
REVIEWED BY: Joe Wilcox	DATE: 02/01/2021	PHONE: (402) 471-4178
COMMENTS: No basis to dispute the Nebraska Attorney General estimate of potential Fiscal Impact to the Agency from LB 603.		

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2021

LB⁽¹⁾ 603

FISCAL NOTE

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

Prepared by: ⁽³⁾ Josh Shasserre Date Prepared: ⁽⁴⁾ 1-29-21 Phone: ⁽⁵⁾ 402-471-2687

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2021-22</u>		<u>FY 2022-23</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>107,300.</u>	<u> </u>	<u>109,028.</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>107,300.</u>	<u> </u>	<u>109,028.</u>	<u> </u>

Explanation of Estimate:

Section 8 of LB603 requires the Attorney General to enforce the Organized Consumer Product Theft Prevention Act. As the bill creates an entirely new Act and adds another enumerated deceptive trade practice to the Uniform Deceptive Trade Practices Act, the number of legal cases arising under this new Act is not immediately ascertainable. Given the Nebraska Department of Justice's current caseload within its Consumer Protection Division, the Nebraska Department of Justice may need to hire an additional Assistant Attorney General to appropriately comply with the duties created by LB603.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22</u>	<u>2022-23</u>
	<u>21-22</u>	<u>22-23</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Assistant Attorney General	<u>1.0</u>	<u>1.0</u>	<u>75,000.</u>	<u>76,500.</u>
Benefits.....			<u>32,300.</u>	<u>32,528.</u>
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			<u>107,300.</u>	<u>109,028.</u>