Scott Danigole March 08, 2023 402-471-0055

LB 666

Revision: 00 FISCAL NOTE LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)								
	FY 202	3-24	FY 2024-25					
	EXPENDITURES	REVENUE	EXPENDITURES REVENUE					
GENERAL FUNDS								
CASH FUNDS								
FEDERAL FUNDS	(\$15,075)		(\$22,612)					
OTHER FUNDS								
TOTAL FUNDS	(\$15,075)		(\$22,612)					

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

LB 666 allows the Department of Labor (DOL) to issue unemployment tax rate notices electronically, at an employer's election. Current law requires mailing of such notices.

DOL estimates the annual cost of notifying all employers by mail to be \$30,150. Assuming 50% of employers select electronic notification during year 1 and 75% beginning in year 2, DOL estimates reduced Federal Fund expenditures in the amounts of (\$15,075) in fiscal year 2023-24 and (\$22,612) beginning in fiscal year 2024-25. There is no basis to disagree with these estimates.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 666 AM:		AGENCY/POLT. SUB: Nebraska Department of Labor			
REVIEWED BY:	Kimberly Burns	DATE: 03/08/2023	PHONE: (402) 471-4171		
COMMENTS: The assumptions	•	nent of Labor's assessment of	fiscal impact from LB 666 seems reasonable given		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 666	AM:	AGENCY/POLT. SUB: Department of Revenue			
REVIEWED BY:	Kimberly Burns	DATE: 03/09/2023	PHONE: (402) 471-4171		
COMMENTS: Concur with the Department of Revenue's assessment of no fiscal impact from LB 666.					

Please complete <u>ALL</u> (5) blanks in the first three lines.

LB ⁽¹⁾ 666				FISCAL NOTE			
State Agency OR Political	Subdivision Name: (2)	Nebraska Department of Labor					
Prepared by: ⁽³⁾ Rea	Easton	Date Prepared: ⁽⁴⁾	01/20/2023 P	hone: ⁽⁵⁾ 402-416-6809			
	ESTIMATE PROVI	DED BY STATE AGEN	ICY OR POLITICAL SU	UBDIVISION			
	EV	2023-24		FY 2024-25			
	EXPENDITURES	<u>REVENUE</u>	EXPENDITURE				
GENERAL FUNDS							
CASH FUNDS							
FEDERAL FUNDS	(15,075)		(22,612)				
OTHER FUNDS							
TOTAL FUNDS	(15,075)		(22,612)				

Explanation of Estimate: Under current law, the Nebraska Department of Labor is required to mail unemployment tax rate notices. LB666 would allow employers to elect electronic notification. The annual cost of notifying all employers of unemployment tax rates via mail is \$30,150. It is estimated that 50% of employers will select electronic notification during Year 1 increasing to 75% in Year 2. This will result in reduced expenses against the UI Admin grant.

BREAK	DOWN BY MA.	JOR OBJECTS O	F EXPENDITURE		
Personal Services:					
	NUMBER OI	F POSITIONS	2023-24	2024-25	
POSITION TITLE	<u>23-24</u>	24-25	EXPENDITURES	EXPENDITURES	
Benefits					
Benefits	•••				
Operating			(15,075)	(22,612)	
Travel					
Capital outlay					
Aid					
Capital improvements					
TOTAL			(15,075)	(22,612)	

LB 0666

Fiscal Note 2023

State Agency Estimate									
State Agency Name: Department of Revenue Date Due LFO:									
Approved by: Glen White		Date Prepared:	03/08/2023		Phone: 471-5654				
	3-2024	FY 2024	FY 2024-2025		FY 2025-2026				
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue			
General Funds		\$ 0		\$0		\$0			
Cash Funds									
Federal Funds									
Other Funds									
Total Funds		\$ 0		\$0		\$0			

LB 666 makes adjustments to the Employment Security Law to allow for notice regarding unemployment taxes to be sent to the employer via electronic means if the employer files such electronic address with the Department of Labor.

The Department of Revenue (DOR) estimates that this bill will have no impact on General Fund revenues.

The DOR estimates no costs to implement this bill.

The operative date of this bill is 3 months after it is passed and approved into law.

Major Objects of Expenditure								
Class Code	Classification Title	23-24 <u>FTE</u>	24-25 <u>FTE</u>	25-26 <u>FTE</u>	23-24 <u>Expenditures</u>	24-25 <u>Expenditures</u>	25-26 <u>Expenditures</u>	
Benefits	Benefits							
	Operating Costs							
Travel								
Capital Improvements					\$0			