

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				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

LB 204 is the Biometric Autonomy Liberty Law. Section 2 provides Legislative findings. Section 3 provides definitions.

Section 4 states that biometric data is the property of the individual from whom the data was originally collected and an individual may sell the right to use his or her biometric data or otherwise consent to its use.

Section 5 prohibits any private or public entity from requiring or coercing any individual to be subject to any implantable device.

Sections 6 and 7 prohibit a private entity from requiring or coercing any individual to wear or be subject to a device of any kind that collects biometric data or submit to the collection of biometric data.

Sections 8 and 9 require any controller or processor that is a private entity from collecting or possessing biometric data in a manner that is secure and portable. Such entities shall develop and make available to the public a written policy establishing a retention schedule and guidelines for permanently destroying such data.

Section 10 requires written consent from the individual or the individual's legal guardian or legally authorized representative.

Section 12 prohibits private entities from selling, leasing, trading, or using biometric data without the prior written consent of the individual.

Section 18 provides for an exemption from sections 6 through 11 for biometric data possessed for a security purpose.

The Department of Health and Human Services indicates the bill would require several changes related to data collected by the Department and could jeopardize certain federal funds. There is no basis to disagree with this analysis.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 204	AM:	AGENCY/POLT. SUB: Supreme Court	
REVIEWED BY:	Jacob Leaver	DATE: 3/13/2025	PHONE: (402) 471-4173
COMMENTS: Concur with the Supreme Court's estimate of minimal fiscal impact as a result of LB 204.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 204	AM:	AGENCY/POLT. SUB: Attorney General	
REVIEWED BY:	Jacob Leaver	DATE: 1/17/2025	PHONE: (402) 471-4173
COMMENTS: No basis to dispute the Attorney General's estimate of no fiscal impact as a result of LB 204.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 204	AM:	AGENCY/POLT. SUB: Department of Health and Human Services	
REVIEWED BY:	Jacob Leaver	DATE: 3/13/2025	PHONE: (402) 471-4173
COMMENTS: Concur with the Department of Health and Human Services' indeterminable fiscal impact as a result of LB 204.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 204	AM:	AGENCY/POLT. SUB: University of Nebraska	
REVIEWED BY:	Jacob Leaver	DATE: 1/21/2025	PHONE: (402) 471-4173
COMMENTS: Concur with the University of Nebraska's estimate of no fiscal impact as a result of LB 204.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 204	AM:	AGENCY/POLT. SUB: Department of Administrative Services	
REVIEWED BY:	Jacob Leaver	DATE: 1/23/2025	PHONE: (402) 471-4173
COMMENTS: Concur with the Department of Administrative Services estimate of no fiscal impact as a result of LB 204.			

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

2025

LB⁽¹⁾ 204

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Department of Administrative Services (DAS)

Prepared by: ⁽³⁾ Michael Donley Date Prepared: ⁽⁴⁾ 1/16/2025 Phone: ⁽⁵⁾ 402-471-4114

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 204 would adopt the Biometric Autonomy Liberty Law. The Biometric Autonomy Liberty Law creates certain rights and responsibilities related to biometric data (fingerprints, voice prints, retina images, iris images, other unique biological patterns or characteristics). The Department of Administrative Services (DAS) does not currently collect, store, or control biometric data.

LB 204 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.....			_____	_____

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name: (2) Department of Health and Human Services

Prepared by: (3) John Meals

Date Prepared 3-13-25

Phone: (5) 471-6719

	FY 2025-2026		FY 2026-2027	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

LB204 would adopt the Biometric Autonomy Liberty Law, which sets parameters for the collection, use, and handling of biometric data. Enactment of this bill would impact the Office of Economic Assistance (OEA), Child Care and Development Fund program (CCDF), and Child Support Enforcement (CSE) program. Currently, the Department of Health and Human Services (DHHS) is required to complete fingerprint background checks to remain in compliance with federal and state laws.

Under CCDF federal requirements, all childcare staff and applicable household members must complete fingerprinting for mandatory background checks to be licensed and enrolled in the childcare subsidy program. These checks, including state and federal fingerprint checks, must be performed before hiring or allowing someone to live in a childcare home and updated periodically (45 CFR §98.43(b)(1)). According to Neb. Rev. Stat. §71-1912(5)(b), staff must undergo a national criminal history check at least once every five years. Fingerprints are submitted to the Nebraska State Patrol (NSP), which sends them to the FBI for processing. Providers seeking subsidy reimbursement must comply with these background check requirements, as failure to do so may result in losing federal CCDF funding.

The Division of Public Health and Occupational Licensure Unit is involved in gathering biometric data through fingerprinting for professional licenses. Findings are shared with providers and individuals. A new bill would require DHHS to update agreements for current childcare providers by removing mandatory fingerprint background checks. Additionally, updates are needed for various NAC titles and an amendment to the CCDF State Plan is required. Once amended, the department would be placed out of compliance and on a corrective action plan that could lead to a loss of up to 5% of federal CCDF funding annually; Public Health could lose access to approximately \$3 million per year in funding to support child care licensing operations annually.

Under CSE federal regulations, the program must be able to access Federal Tax Information (FTI) to participate in tax offset programs that allow CSE to intercept tax refunds for non-custodial parents who are behind on their child support. In FY2023, CSE collected \$9.023 million for Nebraska children through this program, making it essential for DHHS. Without FTI access, DHHS could face disallowance or reductions in federal funds. CSE and a limited number of OEA eligibility staff are required to undergo a criminal background check, including fingerprinting, to access FTI. Loss of FTI would hinder DHHS's ability to fully administer the CSE Program and verify eligibility for public assistance programs. This would also limit collections such as federal tax offset payments paid to families served by the child support program.

The bill would prevent the Department of Public Health from requiring fingerprint-based background checks for licensing, impacting their ability to deny credentials based on lack of fingerprint information. To implement this bill, the department would need to take the following steps: 1. Update application forms and the DHHS website to reflect new fingerprint background check requirements. 2. Revise or repeal statutes authorizing fingerprint background checks. 3. Collaborate with the NSP and FBI to cease fingerprinting for affected professions. 4. Notify

federal partners that Nebraska can no longer meet federal fingerprint requirements. 5. Inform licensure compacts that Nebraska can no longer participate in those requiring fingerprint checks

The Data Office would need to assist in identifying what biometric data could be collected and shared with or by Occupational Licensing.

MAJOR OBJECTS OF EXPENDITURE				
PERSONAL SERVICES:				
POSITION TITLE	NUMBER OF POSITIONS		2025-2026	2026-2027
	26-26	26-27	EXPENDITURES	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital Outlay.....				
Aid.....				
Capital Improvements.....				
TOTAL.....			SEE ABOVE	SEE ABOVE

2025

FISCAL NOTE

Prepared by: (3) Eric Asboe Date Prepared: (4) 3/12/2025 Phone: (5) 402-326-9215

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

Minimal fiscal impact to provide judicial and staff education. No additional resources required.

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

State Agency OR Political Subdivision Name:⁽²⁾ University of Nebraska System
Prepared by:⁽³⁾ Anne Barnes Date Prepared:⁽⁴⁾ 01/17/2025 Phone:⁽⁵⁾ (402) 559-6300

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2025 - 26		FY 2026 - 27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
CASH FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
FEDERAL FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
OTHER FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

Explanation of Estimate:
No fiscal impact.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2025 - 26	2026 - 27
	25 - 26	26 - 27	EXPENDITURES	EXPENDITURES
	<u>0</u>	<u>0</u>		
	<u>0</u>	<u>0</u>		
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				

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

2025

LB⁽¹⁾ 204

FISCAL NOTE

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

Prepared by: ⁽³⁾ Bebe Strnad Date Prepared: ⁽⁴⁾ 1-16-25 Phone: ⁽⁵⁾ 402-471-2687

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				
OTHER FUNDS				
TOTAL FUNDS				

Explanation of Estimate:

No Fiscal Impact.

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.....				