

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>				
	<b>FY 2025-26</b>		<b>FY 2026-27</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS				
CASH FUNDS	See below		See below	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below		See below	

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

LB 94 is the Digital Skills Empowerment Act. The purpose of the act is to provide accessible, affordable digital skills training and certification of qualified Nebraskans.

Section 3 provides definitions.

Under LB 94, the Department of Labor (DOL), in collaboration with the Department of Economic Development shall establish two grant programs. The first shall be for local educational institutions within qualified census tracts and nonprofits to develop and operate digital skills training centers. Such centers shall provide access to digital skills training to individuals that may lead to certifications. The total amount of grants shall not exceed twenty million dollars (\$20,000,000) per fiscal year. The second program is to provide grants to cover tuition, learning materials, transportation, necessary equipment, and child care for low-income individuals to access training centers and receive training. These grants shall not exceed twenty million dollars (\$20,000,000) per fiscal year. The total of grant awards for both programs is forty million dollars (\$40,000,000) per fiscal year.

If the funds available for each grant program are insufficient to provide grants, DOL shall establish priorities to award such grants.

Section 6 creates a third grant program at DOL. This program would be utilized to provide grants to technology companies or businesses in Nebraska to establish paid apprenticeships in digital trades. The total of grants awarded shall not exceed ten million dollars (\$10,000,000) per fiscal year.

Section 7 provides legislative intent to appropriate fifty million dollars (\$50,000,000) from the Workforce Development Program Cash Fund to DOL for fiscal year 2025-26 and each fiscal year thereafter.

Section 8 provides for the LB 94 grant programs as an authorized use of the Workforce Development Program Cash Fund.

Section 9 provides an operative date of January 1, 2026.

DOL estimates the need for additional staffing to administer these programs. The estimated total is \$748,498 in fiscal year 2025-26. The annualized amount is estimated to be \$950,091 beginning in fiscal year 2026-27. These estimates appear to be reasonable.

Since LB 94 states the Legislature’s intent to appropriate \$50,000,000 (in total) per fiscal year and makes no exception regarding the partial fiscal year of 2025-26, full funding for grants in fiscal year 2025-26 is included in this fiscal note.

DOL notes that the Workforce Development Program Cash Fund is insufficient to support the costs associated with LB 94. The fund does not have a dedicated revenue source other than transfers from other funds. Absent a fund source identified in the bill, the additional funding would be General Funds. However, LB 94 addresses the insufficient funds issue by providing DOL the discretion of prioritizing grant awards in such instances. As of December 31, 2024, that fund carried a balance of \$40,510,503.

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**2025**

**LB<sup>(1)</sup> 94**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Department of Labor

Prepared by: <sup>(3)</sup> Rea Easton Date Prepared: <sup>(4)</sup> 1/27/2025 Phone: <sup>(5)</sup> 402-416-6809

**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>
<b>GENERAL FUNDS</b>	_____	_____	_____	_____
<b>CASH FUNDS</b>	<u>748,498</u>	_____	<u>950,091</u>	_____
<b>FEDERAL FUNDS</b>	_____	_____	_____	_____
<b>OTHER FUNDS</b>	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	<u>748,498</u>	_____	<u>950,091</u>	_____

**Explanation of Estimate:**

LB94 creates the Digital Skills Empowerment Act. Under the Act, NDOL in partnership with Department of Economic Development must create a new grant program and create standardized, industry-aligned curricula for use in digital skills training centers. Sec. 6 requires NDOL to create a second grant program to provide grants to technology companies or businesses in Nebraska to establish paid apprenticeships in digital trades.

LB94 will require NDOL to utilize one Job Training Program Coordinator and four Workforce Coordinators beginning January 1, 2026, for program development, grant management and to process applications. This will also require a fulltime Project Manager, Accountant II, and an NDOL Workforce Services Administrator. IT Applications Developer/Sr positions will be required to develop online application submissions and tracking. At least .5 Attorney III will be needed to first draft program guidelines, review forms and application materials before being made available to the public. Then, the same position will be needed ongoing for grant agreements and legal guidance throughout the grant process.

TECHNICAL NOTE: LB94 intends to appropriate \$50 million from the Workforce Development Program cash fund. The balance in that fund is not sufficient to support this cost, which would mean language is needed intending to transfer general funds to the cash fund.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<b>POSITION TITLE</b>	<b>NUMBER OF POSITIONS</b>		<b>2025-26</b>	<b>2026-27</b>
	<b><u>25-26</u></b>	<b><u>26-27</u></b>	<b><u>EXPENDITURES</u></b>	<b><u>EXPENDITURES</u></b>
JT Program Coordinator	.50	1.00	34,036	70,114
Workforce Coordinator	2.00	4.00	113,185	233,161
Workforce Services Administrator	.50	1.00	50,032	103,067
Project Manager	1.00	1.00	95,121	97,975
IT Applications Developer/Sr	1.50		147,889	
Accountant II		1.00		79,367
Attorney III	.50	.50	58,512	60,267
<b>Total Salaries</b>	<b>6.00</b>	<b>8.50</b>	<b>498,775</b>	<b>643,951</b>
<b>Benefits</b> .....			<b>179,886</b>	<b>232,244</b>
<b>Operating</b> .....			<b>69,837</b>	<b>73,896</b>
<b>Travel</b> .....				
<b>Capital outlay</b> .....				
<b>Aid</b> .....				
<b>Capital improvements</b> .....				
<b>TOTAL</b> .....			<b>748,498</b>	<b>950,091</b>