

**FISCAL NOTE**  
LEGISLATIVE FISCAL ANALYST ESTIMATE

**ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)**

EXPENDITURES	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	8,880	0	0	0	8,880
FY2027-2028	SEE BELOW	0	0	0	SEE BELOW
FY2028-2029	SEE BELOW	0	0	0	SEE BELOW
REVENUE	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	0	0	0	0	0
FY2027-2028	0	0	0	0	0
FY2028-2029	0	0	0	0	0

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

LB 882 amends provisions connected to the Homestead Exemption Program.

The bill changes application requirements for homestead exemptions and eliminates subsequent applications for certain disabled veterans and unremarried spouses who have been granted a homestead exemption. The bill also changes application requirements for other applications to be submitted every five years.

The bill provides that if an unremarried surviving spouse who has been granted a homestead exemption under subdivision (2)(b) or (f) of section 77-3506 remarries before attaining the age of 57 years, such spouse shall lose the homestead exemption. The surviving spouse shall notify the county assessor of such remarriage within a reasonable time.

The bill is operative three months after adjournment of the Legislature.

The Department of Revenue estimates a one-time cost of \$8,880 to be paid to the Office of the Chief Information Officer to modify the existing Homestead web application. There is no basis to disagree with this cost estimate.

However, homestead exemption reimbursements to political subdivisions are paid from the state General Fund. The cost of the program could increase by an indeterminate amount in future years due to elimination of the application requirement for certain recipients, as eligibility would no longer be reevaluated.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 882	AM:	AGENCY/POLT. SUB: Department of Revenue
REVIEWED BY: Ryan Yang	DATE: 1/27/2026	PHONE: (402) 471-4178
COMMENTS: The Department of Revenue assessment of fiscal impact from LB 882 appears reasonable.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 882	AM:	AGENCY/POLT. SUB: Nebraska Association of County Officials (NACO)
REVIEWED BY: Ryan Yang	DATE: 1/14/2025	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the NACO assessment of minimal fiscal impact from LB 882.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 826	AM:	AGENCY/POLT. SUB: Douglas County Assessor/Register of Deeds
REVIEWED BY: Ryan Yang	DATE: 1/13/2026	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the Douglas County Assessor assessment of no fiscal impact from LB 826.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 882	AM:	AGENCY/POLT. SUB: Lancaster County Assessor/Register of Deeds
REVIEWED BY: Ryan Yang	DATE: 1/13/2026	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the Lancaster County Assessor assessment of no fiscal impact from LB 882.		

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

**2026**

**LB<sup>(1)</sup> 882**

**FISCAL NOTE**

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

Douglas County Assessor/Register of Deeds Office

Prepared by: <sup>(3)</sup> Michael J. Goodwillie Date Prepared: <sup>(4)</sup> 1/13/2026 Phone: <sup>(5)</sup> (402) 444-6703

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

	<u>FY 2026-27</u>		<u>FY 2027-28</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

**Explanation of Estimate:**

LB 882 changes the filing requirements for certain homestead recipients. Currently, there are several groups of people who get the full value of their house exempt, regardless of their income or the value of the home—vets with 100% service-connected disabilities, their remarried spouses or those who remarry after reaching the age of 57, and remarried spouses of service people who die on active duty or spouses who remarry after reaching the age of 57. Members of that first category only have to file homestead applications in their first year and subsequent years divisible by five. Everyone else has an annual application requirement. LB 882 changes the application requirements for these three groups. After the initial application, they will never have to apply again. In terms of impact on our office, there will be fewer applications to process. That said, there is a potential problem at the back end in terms of knowing when a member of this class no longer lives in the home. There isn't a requirement that someone in homestead tell us when they move out of the home. A frequent, or relatively frequent application requirement does keep the homestead recipient in touch with the local assessment office. No application means that a homesteader in one of these categories could move or even die and as long as the property is titled in their name, the exemption would apply indefinitely—to the benefit of whoever is able to move into the home.

The bill would mean fewer applications to review—so there would be no administrative costs added by the bill. That said, there may be time spent as time goes on, to ascertain whether the veteran or spouse actually resides in the home. As an example, a veteran initially applies and obtains homestead in this category and is 60 years old with his first application. The further out in time from that further application, the more it raises the question of if the veteran, who may already have persistent health problems due to his disability, is still actually living in the home with each five-year increment that passes. We have had situations, in the past, where a relative files applications in the name of a relative who no longer lives in the home. Having an application process led us to cutting that off. That mechanism will no longer be in place so there may be instances where the veteran moves out, say to a nursing home, and a relative who does not qualify for homestead moves in and there would be no way to know that. In those instances, the state would still be reimbursing the county (and the other political subdivisions) for their “tax loss” unnecessarily. We have no way of quantifying how many instances like that would occur over time.

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**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

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**Personal Services:**

<b>POSITION TITLE</b>	<b>NUMBER OF POSITIONS</b>		<b>2026-27 EXPENDITURES</b>	<b>2027-28 EXPENDITURES</b>
	<b>26-27</b>	<b>27-28</b>		
Benefits.....	.....	.....	.....	.....
Operating.....	.....	.....	.....	.....
Travel.....	.....	.....	.....	.....
Capital outlay.....	.....	.....	.....	.....
Aid.....	.....	.....	.....	.....
Capital improvements.....	.....	.....	.....	.....
<b>TOTAL.....</b>	.....	.....	.....	.....

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**2026**

**LB<sup>(1)</sup> 882**

**FISCAL NOTE**

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

Lancaster County Assessor/Register of Deeds

Prepared by: <sup>(3)</sup> Dan Nolte

Date Prepared: <sup>(4)</sup> 01/09/2026

Phone: <sup>(5)</sup> 402-441-7463

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

	<u>FY 2026-27</u>	<u>REVENUE</u>	<u>FY 2027-28</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>

**Explanation of Estimate:**

The proposed legislation would have no fiscal impact on this office.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<b>POSITION TITLE</b>	<b>NUMBER OF POSITIONS</b>		<b>2026-27</b>	<b>2027-28</b>
	<b>26-27</b>	<b>27-28</b>	<b>EXPENDITURES</b>	<b>EXPENDITURES</b>
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
<b>TOTAL.....</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>

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

**2026**

**LB<sup>(1)</sup> 882**

**FISCAL NOTE**

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

Nebraska Association of County Officials (NACO)

Prepared by: <sup>(3)</sup> **Elaine Menzel**

Date Prepared: <sup>(4)</sup> **1/13/2026**

Phone: <sup>(5)</sup> **402.434.5660**

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

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

**Explanation of Estimate:**

LB882 would change provisions relating to homestead exemptions for certain veterans and surviving spouses..

The fiscal impact LB882 would have on counties is minimal because the state reimburses the counties for homestead exemptions.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<b>POSITION TITLE</b>	<b>NUMBER OF POSITIONS</b>		<b>2026-27</b> <b>EXPENDITURES</b>	<b>2027-28</b> <b>EXPENDITURES</b>
	<b>26-27</b>	<b>27-28</b>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
<b>Benefits.....</b>	_____	_____	_____	_____
<b>Operating.....</b>	_____	_____	_____	_____
<b>Travel.....</b>	_____	_____	_____	_____
<b>Capital outlay.....</b>	_____	_____	_____	_____
<b>Aid.....</b>	_____	_____	_____	_____
<b>Capital improvements.....</b>	_____	_____	_____	_____
<b>TOTAL.....</b>	_____	_____	_____	_____

## State Agency Estimate

State Agency Name: Department of Revenue		Date Due LFO:	
Approved by: James R. Kamm	Date Prepared: 01/27/2026	Phone: 471-5896	
	FY 2026-2027	FY 2027-2028	FY 2028-2029
	Expenditures	Revenue	Expenditures
General Funds	\$8,880	\$ 0	
Cash Funds			
Federal Funds			
Other Funds			
Total Funds	\$8,880	\$ 0	\$ 0

LB 882 eliminates the requirement for veterans receiving compensation from the U.S. Department of Veterans Affairs (VA) for a 100 percent service-connected disability to submit subsequent homestead exemption applications or periodic VA certifications after initial approval. The bill also removes subsequent application and periodic VA certification requirements for the unremarried surviving spouses of such veterans and for surviving spouses of veterans who died while on active duty, once initially approved for the homestead exemption.

LB 882 additionally clarifies that a surviving spouse that remarries before the age of 57 would still lose the exemption and must notify the county assessor of such remarriage within a reasonable time.

It is estimated that LB 882 will have no impact on General Fund expenditure.

LB 882 will require a one-time operating charge of \$8,880 for the OCIO to modify the existing Homestead web application.

The operative date for this bill is three months after the adjournment of the legislature.

## Major Objects of Expenditure

Class Code	Classification Title	26-27 FTE	27-28 FTE	28-29 FTE	26-27 Expenditures	27-28 Expenditures	28-29 Expenditures
Benefits.....							
Operating Costs.....					\$8,880		
Travel.....							
Capital Outlay.....							
Capital Improvements.....							
<b>Total.....</b>					<b>\$8,880</b>		