

# 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	0	13,500	0	0	13,500
FY2027-2028	0	30,000	0	0	30,000
FY2028-2029	0	30,000	0	0	30,000
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.

LB786 amends distribution of the additional fees required for registration under the Motor Vehicle Registration Act in Nebraska §60-3,122.04, as they relate to each application for initial issuance or renewal of Military Honor Plates as follows:

- The \$5.00 fee for alphanumeric Military Honor Plates shall be credited to the Nebraska Veteran Cemetery System Operation Fund; and
- The \$40.00 fee for personalized message Military Honor Plates shall be distributed in the following manner:
  - 25% to the Department of Motor Vehicles Cash Fund; and
  - 75% to the Military Department Aid Fund.

The bill would establish a new Military Department Aid Fund to be the recipient of the plate fees:

- To be administered by the Adjutant General of the Nebraska Military Department;
- Consisting of plate fees, gifts, grants, bequests, public/private funding, and transfers by the Legislature;
- The fund is to be invested by the State Investment Officer; and
- Interest or realized capital gains shall be credited back to the Military Department Aid Fund.

The Military Department Aid Fund shall only be used to award grants by the Adjutant General as follows:

- No later than January 1, 2027, the Adjutant General shall have established the eligibility criteria, the application form, adopted and promulgated the rules and regulations;
- Members of the Military Department may apply if they meet the qualifications;
- The rules and regulations shall limit the eligible recipients of any grant awarded to be needy uniformed service members of the Military Department; and
- Nebraska shall not require or request any grant recipient awarded under this section, to reimburse any money received from such grant.

#### Expenditures:

In FY2026-27, the Nebraska Military Department (MIL) is expecting to distribute approximately \$13,500 in Cash Fund Aid, increasing to \$30,000 in Cash Fund Aid in FY2027-28. The amount of aid dispersed to approved applicants will be dependent on funding availability over time. The MIL has noted that if the new Military Department Aid Fund would grow larger in the future, they may eventually require additional resources to administer the aid program.

The Nebraska Department of Motor Vehicles (DMV) is anticipating programmatic expenses, which can be absorbed within their existing appropriation in Program 70.

#### Revenues:

The MIL is anticipating \$27,000 in Cash Fund Aid revenue in FY2026-27 the first year of the new plates; with an increase the following year with \$30,000 Cash Funds to the Military Department Aid Fund.

The Nebraska Department of Veterans Affairs (NDVA) is not anticipating a fiscal impact from this bill. They expect any impact to be minimal, with no accurate way to fully calculate the impact as veterans have several plate choices.

However, there would be a loss of revenue to their Nebraska Veteran Cemetery System Operation Fund, which is the current recipient of 75% of the \$40.00 fee for personalized message Military Honor Plates (or \$30.00 per set of plates). This revenue from the personalized message plates would instead go to the new Military Department Aid Fund to be used to support National Guard members. There is no revenue increase to the state showing in the boxes above as there would not be new revenue, only a switch of where a portion of revenue is being deposited. There would be additional expenditures to the state however, as the NDVA would still need to operate and maintain the facilities within the state veteran cemetery system, in addition to the MIL administering a new aid program.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 786	AM:	AGENCY/POLT. SUB: Department of Motor Vehicles	
REVIEWED BY:	Ashley Dempsey	DATE: 1/16/26	PHONE: (402) 326-2182
COMMENTS: Concur with the Department of Motor Vehicles' statement that current appropriations can absorb any costs as a result of LB 786.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 786	AM:	AGENCY/POLT. SUB: Nebraska Department of Veterans' Affairs	
REVIEWED BY:	Ashley Dempsey	DATE: 1/13/26	PHONE: (402) 326-2182
COMMENTS: Concur with the Nebraska Department of Veterans' Affairs assessment of no fiscal impact from LB 786.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 786	AM:	AGENCY/POLT. SUB: Nebraska Military Department	
REVIEWED BY:	Ashley Dempsey	DATE: 1/16/26	PHONE: (402) 326-2182
COMMENTS: Concur with the Nebraska Military Department's estimated fiscal impact as a result of LB 786.			

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

Prepared by: <sup>(3)</sup> Bart Moore

Date Prepared: <sup>(4)</sup> 1/12/2026

Phone: <sup>(5)</sup> 402-471-3902

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2026-27		FY 2027-28	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Explanation of Estimate:

There will be programming requirements for the DMV that can be absorbed within existing appropriations.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

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

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

2026

LB<sup>(1)</sup> 786

FISCAL NOTE

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

031 – Nebraska Military Department

Prepared by: Lauren Hargreaves

<sup>(3)</sup>

Date Prepared: 1/15/2026

<sup>(4)</sup>

Phone: 402 309-8120

<sup>(5)</sup>

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2026-27		FY 2027-28	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	\$13,500	\$27,000	\$30,000	\$30,000
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$13,500	\$27,000	\$30,000	\$30,000

Explanation of Estimate:

\$27,000 revenue anticipated from creation of fund program and administration of program in first year; expected to increase YOY.

\$13,500 estimate for delivered aid in cash 26-27; aid will be dispersed as funding becomes available and applicant requests are received; expected to increase YOY.

This program may require additional resources for administration of aid as fund resources grow over time.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2026-27 EXPENDITURES	2027-28 EXPENDITURES
	26-27	27-28		
Benefits.....				
...				
Operating.....				
....				
Travel.....				
.				
Capital outlay.....				
Aid.....				
.			\$13,500	\$30,000
Capital improvements.....				
TOTAL.....			\$13,500	\$30,000

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

2026

LB<sup>(1)</sup> 786

FISCAL NOTE

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

Prepared by: <sup>(3)</sup> Nicole S Zimmermann Date Prepared: <sup>(4)</sup> 1/8/2026 Phone: <sup>(5)</sup> 531-220-1433

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2026-27		FY 2027-28	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	0	0		
CASH FUNDS	0	0		
FEDERAL FUNDS	0	0		
OTHER FUNDS	0	0		
TOTAL FUNDS	0	0		

Explanation of Estimate:

LB 786 no fiscal impact.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

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