

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	SEE BELOW	0	0	0	SEE BELOW
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 975 adopts the Private Attorney Retention Sunshine Act and sets requirements for the Attorney General's contracts with private attorneys or law firms when the total fees and expenses are expected to exceed \$10,000. The bill requires a competitive bidding process and legislative filing and review, including a public hearing and a 30-day waiting period before a final contract may be executed. For contingent-fee contracts, the bill requires post-case reporting of hours, expenses, and fees and limits legal fees to no more than \$1,000 per hour.

LB 975 would add new contracting and legislative review steps for the Attorney General's Office (AGO) use of outside counsel under existing state contracting laws. The AGO states this would create delays and additional administrative work, could make it harder to secure specialized counsel (including firms that can front litigation costs), and may shift more cases to hourly-fee arrangements. The AGO estimates it would need one additional full-time attorney to manage the retention process, and, for the Consumer Protection Bureau to maintain a similar caseload, it could require roughly \$10 million per year in additional General Fund support to pay outside counsel.

Based on the information provided, there is no basis to disagree with the AGO's estimates.

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

2026

LB⁽¹⁾ 975

FISCAL NOTE

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

Prepared by: ⁽³⁾ Bebe Strnad Date Prepared: ⁽⁴⁾ 1-14-26 Phone: ⁽⁵⁾ 402-471-2687

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>10,175,496</u>		<u>10,179,640</u>	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u>10,175,496</u>		<u>10,179,640</u>	

Explanation of Estimate:

This bill causes significant delay and administrative burden that we would need more resources to manage and implement. It diminishes the State's ability to hire top-performing counsel with specialized knowledge and expertise, including firms with resources to cover litigation expenses, and increases the likelihood the state would have to pay hourly fees and increase financial risk to taxpayers. This would require an additional full-time attorney to manage and oversee retention. Likewise, it would require general funding to pay outside counsel on an hourly fee basis for many consumer matters. The Consumer Protection Bureau has prosecuted significant cases against well-resourced defendants on cases that require very significant resources. For the Consumer Protection Bureau to continue to produce a similar caseload year-over-year, this would translate to be an, at least, estimated 10 million a year in additional general funding.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2026-27</u>	<u>2027-28</u>
	<u>26-27</u>	<u>27-28</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Assistant Attorney General	<u>1.0</u>	<u>1.0</u>	<u>120,000</u>	<u>123,600</u>
Benefits.....			<u>55,496</u>	<u>56,040</u>
Operating.....			<u>10,000,000</u>	<u>10,000,000</u>
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			<u>10,175,496</u>	<u>10,179,640</u>

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 975	AM:	AGENCY/POLT. SUB: Legislative Council	
REVIEWED BY:	Ashley Dempsey	DATE: 1/13/26	PHONE: (402) 326-2182
COMMENTS: Concur with the Legislative Council's assessment of no fiscal impact from LB 975.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 975	AM:	AGENCY/POLT. SUB: Attorney General	
REVIEWED BY:	Ashley Dempsey	DATE: 1/21/26	PHONE: (402) 326-2182
COMMENTS: No basis to dispute the Attorney General's estimated fiscal impact as a result of LB 975.			

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

2026

LB⁽¹⁾ 975

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Legislative Council

Prepared by: ⁽³⁾ Shelley Reed Date Prepared: ⁽⁴⁾ 1/13/2026 Phone: ⁽⁵⁾ 402-471-2226

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	_____	_____	_____	_____
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>2026-27</u>	<u>2027-28</u>
	<u>26-27</u>	<u>27-28</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____