

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	276,717	0	0	0	276,717
FY2027-2028	256,363	0	0	0	256,363
FY2028-2029	256,363	0	0	0	256,363
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 1083 adopts the Transparency in Artificial Intelligence Risk Management Act. The bill requires large frontier AI developers and large chatbot providers to develop and publicly post a public safety and child protection plan describing how they assess and reduce catastrophic risks and child safety risks. It also requires public summaries of required risk assessments when deploying or materially modifying covered frontier models or when integrating new or materially modified foundation models into covered chatbots, with limited redactions allowed.

The bill requires certain AI safety incidents to be reported to the Attorney General, authorizes the Attorney General to update key definitions by rule beginning January 1, 2027, and allows enforcement through civil penalties. It creates the Juvenile Mental Health Support Fund administered by the Department of Health and Human Services (DHHS) and amends Neb. Rev. Stat. § 84-712.05 to allow specified reports and disclosures submitted under the act to be withheld from public disclosure. The bill is operative January 1, 2027.

DHHS would administer the Juvenile Mental Health Support Fund for programming and facilities associated with juvenile mental health services. The bill does not specify any revenue credited to the newly created fund. The bill includes no other specific DHHS requirements, so the fiscal impact cannot be determined at this time. DHHS may require an additional FTE to administer the fund.

The Attorney General states LB 1083 would create new compliance and enforcement responsibilities for the office, resulting in a fiscal impact of \$276,717 in FY 2026-27 and \$256,363 in FY 2027-28. The AGO anticipates needing at least one additional attorney to review and investigate required reports, pursue enforcement actions, and complete annual assessments and rule updates. The AGO also expects costs to develop and maintain a reporting portal or software system and may require additional paralegal or legal assistant support to meet ongoing administrative obligations.

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

2026

LB⁽¹⁾ 1083

FISCAL NOTE

State Agency OR Political Subdivision
Name: ⁽²⁾

Attorney General

Prepared by: ⁽³⁾ Jen Huxoll

Date Prepared: 1-18-26
⁽⁴⁾

Phone: ⁽⁵⁾ 402-471-2687

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2026-27		FY 2027-28	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	276,717		256,363	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	276,717		256,363	

Explanation of Estimate:

This bill would have a fiscal impact on the AGO. It creates financial and substantive obligations for the AGO. The bureau assigned to monitor compliance with this Act will need to hire at least one additional attorney to bring enforcement actions, to review/investigate reports from entities and their employees, to prepare reports of the same, and to conduct annual assessments regarding updates to rules and regulations. The AGO will also need to allocate funds to develop a portal or software to track and maintain reports from the entities governed by the Act and their employees. It may also be necessary to employ at least one additional paralegal/legal assistant to assist with statutory obligations.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2026-27	2027-28
	26-27	27-28	EXPENDITURES	EXPENDITURES
Assistant Attorney General	1.0	1.0	95,000	97,850
Paralegal/Legal Asst	1.0	1.0	54,000	55,620
Benefits.....			97,717	97,893
...				
Operating.....			30,000	5,000
....				
Travel.....				
.				
Capital				
outlay.....				
Aid.....				
.				
Capital				

improvements.....
TOTAL.....

_____	_____
_____	_____
_____	_____

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 1083	AM:	AGENCY/POLT. SUB: Attorney General	
REVIEWED BY:	Ashley Dempsey	DATE: 1/29/26	PHONE: (402) 326-2182
COMMENTS: No basis to dispute the Attorney General's estimated fiscal impact as a result of LB 1083.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 1083	AM:	AGENCY/POLT. SUB: State Treasurer	
REVIEWED BY:	Ashley Dempsey	DATE: 1/26/26	PHONE: (402) 326-2182
COMMENTS: Concur with the State Treasurer's assessment of no fiscal impact from LB 1083.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 1083	AM:	AGENCY/POLT. SUB: Department of Health and Human Services	
REVIEWED BY:	Ashley Dempsey	DATE: 2/3/26	PHONE: (402) 326-2182
COMMENTS: Concur with the Department of Health and Human Services' assessment of indeterminable fiscal impact from LB 1083.			

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 2-3-2016

Phone: (5) 471-6719

	FY 2026-2027		FY 2027-2028	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$0	\$0	\$0	\$0

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

Explanation of Estimate:

LB1083 adopts the Transparency in Artificial Intelligence Risk Management Act and creates the Juvenile Mental Health Support Fund. The fund will be administered by the Department of Health and Human Services (DHHS) and shall be used for the programming and facilities associated with providing juvenile mental health services. The bill does not provide any other specific requirements for the department, so the fiscal impact is difficult to project. The department may need an additional FTE to administer programming through the fund. This fiscal note assumes that cash authority would be provided and funds placed in the cash fund would be sufficient to cover any FTE or operational costs, thus state general funds are not requested.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:

POSITION TITLE	NUMBER OF POSITIONS		2026-2027	2027-2028
	26-27	27-28	EXPENDITURES	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital Outlay.....				
Aid.....				
Capital Improvements.....				
TOTAL.....			\$0	\$0

State Agency OR Political Subdivision
Name: ⁽²⁾

State Treasurer

Prepared by: ⁽³⁾ Jason Walters

Date Prepared: ⁽⁴⁾ January 21, 2026

Phone: ⁽⁵⁾ 402-471-2793

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:

The State Treasurer’s Office doesn’t expect any fiscal impact from LB 1083 to the office.

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.....				