

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
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 878 amends statute regarding state employees.

The bill allows any state employee who adopts or gives birth to a child to be eligible for 6 weeks paid maternity leave without the use of other sick or vacation leave. The bill provides guidelines for this leave and disallows negative retaliation for using it.

This benefit is already accounted for in the budget for the majority of state employees. Nape/AFSCME Labor contract and Classified System Personnel Rules covered employees currently have the benefit. It would expand that benefit to SLEBC, FOP, and SCATA covered employees, which may have a fiscal impact. Per DAS, in calendar year 2025 this change would have affected 13 additional employees. Based on the average salary per employee, this would have resulted in a fiscal impact of \$109,623 (See DAS summary below). However, most employees are already using other leave to account for maternity leave. So it is more likely to affect leave balances across the enterprise and not foreseeable agency budgets.

Coverage Group	Average Hourly Wage	Estimated Annual Cost based on CY2025 Births Only
SLEBC (3)	\$42.82	\$30,830
FOP (10)	\$32.83	\$78,792
SCATA (0)	\$38.13	N/A
Total (13)		\$109,622

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

2026

LB⁽¹⁾ 878

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Department of Administrative Services (DAS) – State Personnel - ENTERPRISE

Prepared by: ⁽³⁾ Sean Davis

Date Prepared: ⁽⁴⁾ 1/12/26

Phone: ⁽⁵⁾ 402-499-1072

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2026-27		FY 2027-28	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$62,485		\$62,485	
CASH FUNDS	\$24,117		\$24,117	
FEDERAL FUNDS	\$18,636		\$18,636	
REVOLVING FUNDS	\$4,384		\$4,384	
TOTAL FUNDS	\$109,622		\$109,622	

Explanation of Estimate:

LB 878 provides six weeks of paid maternity leave for State of Nebraska employees for the birth or adoption of a child. The State of Nebraska provides six weeks of paid maternity leave already to employees covered by the NAPE/AFSCME Labor Contract and the Classified System Personnel Rules & Regulations. Therefore, this bill would provide a new benefit of six weeks of paid maternity leave to only those employees covered by the SLEBC, FOP and SCATA labor contracts without any prior employment duration. According to the State's data, and data from the SLEBC benefits administrator, below is the estimate for calendar year January 1, 2025 – December 31, 2025 (CY2025).

There were three babies born to public servants in SLEBC, ten babies in FOP, and none in SCATA. There is no data available on the number of adoptions during CY2025. There were thirteen public servants who would be impacted by this bill. Employees under SLEBC, FOP, and SCATA labor contracts are employed by several agencies. Based on this CY2025 data, 240 hours of leave, and the average hourly wage for each group, the estimated fiscal impact is as follows:

Coverage Group	Average Hourly Wage (as of 1/12/26)	Estimated Annual Cost based on CY2025 Births Only
SLEBC (3)	\$42.82	\$30,830
FOP (10)	\$32.83	\$78,792
SCATA (0)	\$38.13	N/A
Total (13)		\$109,622

The table below summarizes the estimated impact by fund type for paid leave. The allocation by fund type is based on an average of salary expenditures over a four-year period (2022-2025).

Fund Type	Expenditures – FY26-27	Expenditures – FY27-28
General Fund	\$62,485	\$62,485
Cash Fund	\$24,117	\$24,117
Federal Fund	\$18,636	\$18,636
Revolving Fund	\$4,385	\$4,385
Total	\$109,622	\$109,622

The exact amount is difficult to estimate due to fluctuations in the number of births or adoptions every year.

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.....

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 878	AM:	AGENCY/POLT. SUB: Department of Health and Human Services (DHHS)	
REVIEWED BY: Ryan Yang	DATE: 1/27/2025	PHONE: (402) 471-4178	
COMMENTS: No basis to disagree with the DHHS assessment of fiscal impact from LB 878.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 878	AM:	AGENCY/POLT. SUB: Department of Administrative Services (DAS)	
REVIEWED BY: Ryan Yang	DATE: 1/27/2025	PHONE: (402) 471-4178	
COMMENTS: The DAS assessment of fiscal impact from LB 878 appears reasonable.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 878	AM:	AGENCY/POLT. SUB: Nebraska State Patrol	
REVIEWED BY: Ryan Yang	DATE: 1/27/2025	PHONE: (402) 471-4178	
COMMENTS: No basis to disagree with the Nebraska State Patrol assessment of no fiscal impact from LB 878.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 878	AM:	AGENCY/POLT. SUB: Nebraska Department of Transportation (NDOT)	
REVIEWED BY: Ryan Yang	DATE: 1/20/2025	PHONE: (402) 471-4178	
COMMENTS: No basis to disagree with the NDOT assessment of minimal fiscal impact from LB 878.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 878	AM:	AGENCY/POLT. SUB: Nebraska State College System	
REVIEWED BY: Ryan Yang	DATE: 1/20/2025	PHONE: (402) 471-4178	
COMMENTS: No basis to disagree with the Nebraska State College System assessment of no fiscal impact from LB 878.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 878	AM:	AGENCY/POLT. SUB: University of Nebraska System	
REVIEWED BY: Ryan Yang	DATE: 1/16/2025	PHONE: (402) 471-4178	
COMMENTS: No basis to disagree with the University of Nebraska System assessment of no fiscal impact from LB 878.			

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 1-26-2026

Phone: (5) 471-6719

	<u>FY 2026-2027</u>	<u>FY 2027-2028</u>		
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$441,076		\$463,130	
CASH FUNDS				
FEDERAL FUNDS	\$237,502		\$249,377	
OTHER FUNDS				
TOTAL FUNDS	\$678,578	\$0	\$712,507	\$0

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

Explanation of Estimate:

LB878 mandates the Department of Health and Human Services (DHHS) to provide eligible employees 6 weeks of paid maternity leave (or their proportional equivalent for regular employees employed less than 40 hours a week) for the birth or adoption of a child. An “eligible employee” is one that:

1. Is a state employee;
2. Gives birth to or adopts a child; and
3. Is assuming a parental role with respect to the child.

These 6 weeks of leave will run concurrently with any leave authorized under the Family and Medical Leave Act of 1993 and will not be charged against any sick, vacation, compensatory, or other leave a maternity leave eligible employee is entitled to. DHHS will not compensate a terminated employee for any unused maternity leave.

The Division of Vital Statistics, National Center for Health Statistics – Center for Disease Control and Prevention (CDC), reports a birth rate of 62.5 per 1,000 women aged 15-44. As of January 2026, after adjusting for applicable age range, an estimated 107 employees of DHHS will qualify for these 6 weeks of maternity leave resulting in an annual \$678,578 fiscal impact based on average hourly rate. This fiscal note assumes a July 1, 2026, start date, a 65%/35% funding split between general funds and federal funds department wide, and a 5% year over year increase.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:

POSITION TITLE	NUMBER OF POSITIONS 26-27	2026-2027 EXPENDITURES	2027-2028 EXPENDITURES	
			27-28	
Benefits.....				
Operating.....			\$678,578	\$712,507
Travel.....				
Capital Outlay.....				
Aid.....				
Capital Improvements.....				
TOTAL.....			\$678,578	\$712,507

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

2026

LB⁽¹⁾ 878

FISCAL NOTE

**State Agency OR Political Subdivision
Name:** ⁽²⁾

Nebraska State College System

Prepared by: ⁽³⁾ Brenda Owen

Date Prepared: 1.16.2026

⁽⁴⁾

Phone: ⁽⁵⁾ 402-471-2505

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 definition of "State Employee" in section 1(1)(d) does not appear to include employees of the state colleges. Therefore, LB878 would have no fiscal impact.

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.....				
Capital improvements.....				
TOTAL.....				

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

2026

LB⁽¹⁾ 878

FISCAL NOTE

State Agency OR Political Subdivision
Name: ⁽²⁾

Nebraska State Patrol

Prepared by: ⁽³⁾ Carol Aversman

Date Prepared: 01/21/2026

⁽⁴⁾

Phone: ⁽⁵⁾ 402-471-4545

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:

Minimal Fiscal Impact.

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.....

Capital improvements.....

TOTAL.....

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

2026

LB⁽¹⁾ 878

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Nebraska Department of Transportation (NDOT)

Prepared by: ⁽³⁾ Lily Kathee Date Prepared: ⁽⁴⁾ 1/15/2026 Phone: ⁽⁵⁾ 402-479-4635

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:

LB878 would mandate six weeks paid maternity leave eligibility for full-time or part-time state employees that (a) gives birth to or adopts a child, and (b) assume the parental role with respect to the child. Leave must be taken consecutively unless a health care provider certifies the need for intermittent leave or a mutual agreement is signed between the State and employee.

In addition, LB878 includes job protection for the state employees while on leave. The bill prohibits the State from taking retaliatory actions, such as dismissal, pay reduction, or failure to promote against the employee for using maternity leave.

Additional expenses are anticipated to NDOT but can be accomplished within existing appropriation.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

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

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

2026

LB ⁽¹⁾0878 Require paid maternity leave for state employees

FISCAL NOTE

State Agency OR Political Subdivision Name:⁽²⁾

University of Nebraska System

Prepared by:⁽³⁾ **Anne Barnes**

Date Prepared:⁽⁴⁾ **01/16/2026**

Phone:⁽⁵⁾

(402) 472-2191

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2026 - 27		FY 2027 - 28	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
CASH FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
FEDERAL FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
OTHER FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

Explanation of Estimate:

No Fiscal Impact.

University of Nebraska employee are not considered employees of the state, therefore this would be not be an applicable statute.

Regardless, there would be no fiscal impact to the University, as it already offers leave that exceeds the proposed requirements.

Per section 3.3.13 of the Board of Regent's Policies, regular employees (full-time or part-time) holding Faculty (including postdoctoral associates), Administrative, Managerial/Professional, or Office/Service appointments are eligible to receive up to a total of eight (8) workweeks of paid leave for any of the qualifying events: care of a newborn; period of incapacity, prenatal care, or serious health condition related to childbearing; care for a birth parent; or adoption.

Personal Services:

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

POSITION TITLE	NUMBER OF POSITIONS		2026 - 27 EXPENDITURES	2027 - 28 EXPENDITURES
	26 - 27	27 - 28		
	<u>0</u>	<u>0</u>		
	<u>0</u>	<u>0</u>		
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				