

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	0	0	SEE BELOW	SEE BELOW
FY2027-2028	0	0	0	SEE BELOW	SEE BELOW
FY2028-2029	0	0	0	SEE BELOW	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 744 expands eligibility for mental injuries or mental illness under the Nebraska Workers' Compensation Act to include public safety communications personnel as first responders if such communications personnel meet the requirements established by law.

In its fiscal note response, the Department of Administrative Services (DAS) provides a detailed calculation of incremental projected medical costs from workers' compensation claims and indemnity benefits with mental illness/injury. The State of Nebraska currently has 47 public safety communications personnel that meet the definition within LB 744. Based on the State's current workers' compensation claims' data, it is estimated that there will be one (1) workers' compensation claim annually for public safety communications personnel.

The first table below shows the DAS-estimated cost per claim by a public communications specialist.

Workers' Compensation indemnity benefits for one estimated claim	\$5,014
Mental Health Treatment	\$5,157
Total	\$10,171

The DAS - Risk Management Workers' Compensation Program is a revolving fund program and is funded by an annual assessment that includes all agencies, boards and commissions, the University and state colleges. Any increase in costs to the DAS revolving fund over time would increase the amount assessed to agencies and could require additional revolving fund appropriation.

Over time, actual usage by agency could impact the assessments paid by those agencies to DAS. The table below illustrates the potential impact to agencies by fund type, assuming an average of one incremental claim per year. The allocation by fund type is based on a five-year (2021-2025) average of the payment of previous workers' compensation assessments.

FUND TYPE	ESTIMATED EXPENDITURES
General Fund	\$6,509
Cash Fund	\$2,543
Federal Fund	\$712
Revolving Fund	\$407
Total	\$10,171

LB 744 is likely to have a fiscal impact, as estimated by the figures above, but the exact amount isn't able to be determined at this time. The Fiscal Office assumes additional funds would be requested through the budget process if it is determined that existing appropriations are insufficient.

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

2026

LB⁽¹⁾ 744

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Department of Administrative Services (DAS) – Risk Management

Prepared by: ⁽³⁾ Sarah Skinner Date Prepared: ⁽⁴⁾ 01/09/2025 Phone: ⁽⁵⁾ 402-419-4229

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2026-27		FY 2027-28	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$6,509		\$6,509	
CASH FUNDS	\$2,543		\$2,543	
FEDERAL FUNDS	\$712		\$712	
REVOLVING FUNDS	\$407	\$10,171	\$407	\$10,171
TOTAL FUNDS	\$10,171	\$10,171	\$10,171	\$10,171

Explanation of Estimate:

LB744 expands eligibility for mental injuries or mental illness under the Nebraska Workers' Compensation Act to include public safety communications personnel as first responders if such communications personnel meet the requirements established by law.

The State of Nebraska currently has 47 public safety communications personnel that meet the definition within the bill. The average hourly wage of the 47 public safety communications personnel is \$25.51. For indemnity benefits, $\$25.51 \times 40 \text{ hours/week} = \$1,020.40$. $\$1,020.40$ multiplied by 2/3 equals a Temporary Total Disability (TTD) rate of \$680.27 per week. In the past year, State workers' compensation claims average compensation for 51.6 days lost. $\$680.27 \times 7.37 \text{ weeks} (\text{equivalent of 51.6 days}) = \$5,013.59$. Average medical costs from workers' compensation claims with mental illness/injury in the past three years is \$5,157.31.

Based on the State's current workers' compensation claims' data, it is estimated that there will be one workers' compensation claim annually for public safety communications personnel.

The DAS - Risk Management Workers' Compensation Program is a revolving fund program and is funded by an annual assessment that includes all agencies, boards and commissions, the University and state colleges. Any increase in costs over time would increase the amount assessed and would require additional revolving fund appropriation.

Using the information above assumptions were made to calculate an annual Enterprise and DAS Risk Management fiscal impact by fund type.

Workers' Compensation indemnity benefits for one estimated claim	\$5,014
Mental Health Treatment	\$5,157
Total	\$10,171

The table below summarizes the impact of the estimated increase in expenditures required by an increase in the assessment by fund type. The allocation by fund type is based on a five-year (2021-2025) average of the payment of previous workers' compensation assessments.

Fund Type	Estimated Expenditures
General Fund	\$6,509
Cash Fund	\$2,543
Federal Fund	\$712
Revolving Fund	\$407
Total	\$10,171

LB 744 is likely to have a fiscal impact as estimated by the figures above, but the exact amount isn't determinable at this time.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

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

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 744	AM:	AGENCY/POLT. SUB:	Department of Health and Human Services (DHHS)
REVIEWED BY: Ryan Walton	DATE: 1/25/2026	PHONE: (402) 471-4174	
COMMENTS: DHHS' assessment of no fiscal impact from LB 744 appears reasonable.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 744	AM:	AGENCY/POLT. SUB:	Nebraska Workers' Compensation Court
REVIEWED BY: Ryan Walton	DATE: 1/14/2026	PHONE: (402) 471-4174	
COMMENTS: The Nebraska Workers' Compensation Court assessment of no fiscal impact from LB 744 appears reasonable.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 744	AM:	AGENCY/POLT. SUB:	Department of Administrative Services (DAS)
REVIEWED BY: Ryan Walton	DATE: 1/16/2026	PHONE: (402) 471-4174	
COMMENTS: Concur with DAS' assessment of fiscal impact from LB 744.			

LB (1) 744

FISCAL NOTE

2026

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 1-23-26

Phone: (5) 471-6719

	<u>FY 2026-2027</u>		<u>FY 2027-2028</u>	
	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:

There is no fiscal impact to the Department of Health and Human Services.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:

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

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

2026

LB⁽¹⁾ 744

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Nebraska Workers' Compensation Court

Prepared by: ⁽³⁾ Lorra O'Banion Date Prepared: ⁽⁴⁾ JAN 12, 2026 Phone: ⁽⁵⁾ 402.471.3602

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				
TOTAL FUNDS	"	"	"	"

Explanation of Estimate:

No fiscal impact.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

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