

**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 1097 creates the State and Political Subdivisions Sexual Abuse Liability Act.

It allows victims of child sexual abuse and victims of sexual abuse who have developmental disabilities to bring a tort claim against a political subdivision or state agency.

Claims against an individual would have no time limit and claims against an agency could be brought within four (4) years after the abuse or twelve (12) years after the plaintiff's 21st birthday, whichever is later.

The bill will have an indeterminable fiscal impact to the state, the university and to other political subdivisions. It allows claims to be brought against those entities that are not currently allowed, so it is likely to result in an increased amount of claims. The total fiscal impact is unknown.

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

**2026**

**LB<sup>(1)</sup>** 1097

**FISCAL NOTE**

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

Attorney General

**Prepared by:** <sup>(3)</sup> Mike Guinan

**Date Prepared:** 1-20-26

<sup>(4)</sup>

**Phone:** <sup>(5)</sup> 402-471-2687

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

**FY 2026-27**

**FY 2027-28**

	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
<b>GENERAL FUNDS</b>				
<b>CASH FUNDS</b>				
<b>FEDERAL FUNDS</b>				
<b>OTHER FUNDS</b>				
<b>TOTAL FUNDS</b>				

**Explanation of Estimate:**

No Fiscal Impact.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

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

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

**2026**

**LB<sup>(1)</sup> 1097**

**FISCAL NOTE**

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

Nebraska Department of Correctional Services

**Prepared by:** <sup>(3)</sup> Lisa Stanton

**Date Prepared:** 01/22/2026

<sup>(4)</sup>

**Phone:** <sup>(5)</sup> (402)479-5702

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

**FY 2026-27**

**FY 2027-28**

	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
<b>GENERAL FUNDS</b>				
<b>CASH FUNDS</b>				
<b>FEDERAL FUNDS</b>				
<b>OTHER FUNDS</b>				
<b>TOTAL FUNDS</b>				

**Explanation of Estimate:**

LB1097 adopts the State and Political Subdivisions Sexual Abuse Liability Act and would make the State of Nebraska liable for claims of sexual abuse of minors and individuals with developmental disabilities. The bill could potentially increase the number of claims and costs associated with those claims that the Department of Correctional Services would be responsible for. The specific amount of impact is indeterminable.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<b>POSITION TITLE</b>	<b>NUMBER OF POSITIONS</b>		<b>2026-27</b>	<b>2027-28</b>
	<b>26-27</b>	<b>27-28</b>	<b>EXPENDITURES</b>	<b>EXPENDITURES</b>

**Benefits.....**

.....

**Operating.....**

.....

**Travel.....**

.....

**Capital  
outlay.....**

.....

**Aid.....**

.....

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

_____	_____
_____	_____
_____	_____
_____	_____

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

**2026**

**LB<sup>(1)</sup> 1097**

**FISCAL NOTE**

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

Dept. of Administrative Services – Risk Management

Prepared by: <sup>(3)</sup> Sarah Skinner Date Prepared: <sup>(4)</sup> 01/16/2026 Phone: <sup>(5)</sup> 402-419-4229

**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	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	<u>See Below</u>	_____	<u>See Below</u>	_____

**Explanation of Estimate:**

LB 1097 would create the State and Political Subdivisions Sexual Abuse Liability Act, excluded from the State Tort Claims Act, for a tort claim against a state agency arising out of sexual abuse of children and individuals with developmental disabilities. Claims against an individual would have no time limit and claims against an agency could be brought within four (4) years after the abuse or twelve (12) years after the plaintiff's 21st birthday, whichever is later.

Since September 2017, the Risk Management office received at least two claims for \$1,500,500.00 that could have been a claim had the above bill been in place.

The bill creates a fiscal impact; however, the exact fiscal impact per year is unknown and there is no fiscal impact to DAS – Risk Management, rather to the General Fund.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

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

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 1097	AM:	AGENCY/POLT. SUB: Attorney General
REVIEWED BY: Ryan Yang	DATE: 1/21/2026	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the Attorney General assessment of no fiscal impact from LB 1097.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 1097	AM:	AGENCY/POLT. SUB: Nebraska State College System
REVIEWED BY: Ryan Yang	DATE: 1/20/2026	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the Nebraska State College System assessment of no fiscal impact from LB 1097.		

**LB (1) 1097****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 2-10-2026

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				
<b>TOTAL FUNDS</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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

**Explanation of Estimate:**

LB1097 may have a fiscal impact on the Department of Health and Human Services. The fiscal impact, however, is indeterminable due to the nature of the bill. LB1097 would enact the State Child Sexual Abuse Liability Act which would waive the State's qualified immunity from suit and allow a state agency to be liable in a similar manner and to a similar extent as a private entity for child sexual abuse. The Statute of Limitations period within which litigation could commence would extend an additional ten (10) years beyond the current two (2) year limitation period. LB1097 would allow for a new type of claim against the State and thus allow for increased litigation and liability exposure to the State and require the agency to modify retention schedules, increasing the period of time that records are maintained.

**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.....				
<b>TOTAL.....</b>			<b>\$0</b>	<b>\$0</b>

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

**2026**

**LB<sup>(1)</sup> 1097**

**FISCAL NOTE**

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

County of Lancaster

**Prepared by:** <sup>(3)</sup> David Derbin, Chief  
Administrative Officer

**Date Prepared:** <sup>(4)</sup> 1/20/2026

**Phone:** <sup>(5)</sup> 402-441-6865

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<b>FY 2026-27</b>		<b>FY 2027-28</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
<b>GENERAL FUNDS</b>	530,000		530,000	
<b>CASH FUNDS</b>				
<b>FEDERAL FUNDS</b>				
<b>OTHER FUNDS</b>				
<b>TOTAL FUNDS</b>				

**Explanation of Estimate:**

Lancaster County has a \$250,000 self-insured retention (SIR) on the insurance policy that would cover a portion of the potential damages arising from the claims provided for in LB1097. Lancaster County also has an excess policy that would cover damages arising from the claims provided for in LB1097 to the extent those damages exceed our base insurance policy. Given the novelty of the claims proposed in the Act, the Act's expressly removing a cap on damages (unlike prior proposals such as LB236(2025)) that could exceed the limits of our excess insurance policy, and based on a preliminary risk estimate, it is estimated that an additional \$500,000 per year would be placed into SIR / excess coverage funds each fiscal year, and that insurance premium costs could increase by \$30,000 annually, for a total estimated annual cost in each of the next two fiscal years of approximately \$530,000.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<b>POSITION TITLE</b>	<b>NUMBER OF POSITIONS</b>	<b>2026-27 EXPENDITURES</b>	<b>2027-28 EXPENDITURES</b>
	<b>26-27</b>	<b>27-28</b>	
Benefits.....			
Operating.....		530,000	530,000
Travel.....			
Capital outlay.....			
Aid.....			
Capital			

improvements.....		
<b>TOTAL.....</b>	<b>530,000</b>	<b>530,000</b>

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

**2026**

**LB<sup>(1)</sup> 1097**

**FISCAL NOTE**

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

Nebraska Association of County Officials (NACO)

Prepared by: <sup>(3)</sup> **Elaine Menzel**

Date Prepared: <sup>(4)</sup> **1/26/2026**

Phone: <sup>(5)</sup> **402.434.5660**

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2026-27</u> <u>EXPENDITURES</u>	<u>REVENUE</u>	<u>FY 2026-27</u> <u>EXPENDITURES</u>	<u>REVENUE</u>
<b>GENERAL FUNDS</b>	_____	_____	_____	_____
<b>CASH FUNDS</b>	_____	_____	_____	_____
<b>FEDERAL FUNDS</b>	_____	_____	_____	_____
<b>OTHER FUNDS</b>	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	_____	_____	_____	_____

**Explanation of Estimate:**

LB1097 would create the State and Political Subdivisions Sexual Abuse Liability Act (Act) which would include counties.

Although the number of claims a county may be required to address annually is unknown, the potential liability exposure because of LB1097 would expand the potential legal exposure to counties. expenses. What is known is several lawsuits filed against a class of Nebraska defendants have ended in favorable verdicts or settlements for survivors of plaintiffs. For example, in 2002, in one case a defendant in Omaha paid an \$800,000 jury award for an abuse survivor and his family. By using CPI-Midwest as an inflationary factor, the lawsuit would've amounted to nearly \$1.5 million in 2026. Additionally, the defendants have paid at least seven other settlements to survivors of priest sexual abuse. However, the financial details of these settlements were never publicly disclosed. The overall fiscal impact if LB1097 were implemented is unknown; however, even if there were one claim filed against the county the exposure could be significant, particularly given that the Act would remove the dollar limitation of \$1 million for political subdivisions.

The overall fiscal impact if LB1097 were implemented is unknown. However, even if there were one claim filed against the county due to LB1097 changes, the fiscal impact is negative, and additional exposure could be significant to a single county.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

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

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

**2026**

**LB<sup>(1)</sup> 1097**

**FISCAL NOTE**

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

Nebraska State College System

**Prepared by:** <sup>(3)</sup> Brenda Owen

**Date Prepared:** 1.20.2026

<sup>(4)</sup>

**Phone:** <sup>(5)</sup> 402-471-2505

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

**FY 2026-27**

**FY 2027-28**

	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
<b>GENERAL FUNDS</b>				
<b>CASH FUNDS</b>				
<b>FEDERAL FUNDS</b>				
<b>OTHER FUNDS</b>				
<b>TOTAL FUNDS</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>

**Explanation of Estimate:**

No fiscal impact.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

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

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

**2026**

**LB<sup>(1)</sup> 1097**

**FISCAL NOTE**

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

Nebraska State Patrol

**Prepared by:** <sup>(3)</sup> Carol Aversman

**Date Prepared:** 02/09/2026

<sup>(4)</sup>

**Phone:** <sup>(5)</sup> 402-471-4545

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

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

**Explanation of Estimate:**

LB 1097 adopts the State and Political Subdivisions Sexual Abuse Liability Act. Section 2 of the bill results in the state, state agencies, and political subdivisions being liable in a similar manner and to a similar extent as a private individual or entity under like circumstances for tort claims arising out of sexual abuse of children and individuals with developmental disabilities. It creates a waiver of the sovereign immunity of the state and all political subdivisions, and therefore, an action under the act is not subject to the State Tort Claims Act or the Political Subdivisions Tort Claims Act or the limitations or requirements in such acts, including, but not limited to, limits on recoverable damages, limits on the availability of a jury trial, notice requirements, and statutes of limitations. Criminal prosecution of any sexual abuse is not required to maintain a civil action under the State and Political Subdivisions Sexual Abuse Liability Act.

The result of such an act could result in very large financial damages, which could be financially devastating for the State of Nebraska. It is not possible to determine the fiscal impact, other than to state that the bill could result in an extremely large fiscal impact.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<b>POSITION TITLE</b>	<b>NUMBER OF POSITIONS</b>		<b>2026-27 EXPENDITURES</b>	<b>2027-28 EXPENDITURES</b>
	<b>26-27</b>	<b>27-28</b>		

**Benefits.....**

**Operating.....**

**Travel.....**

**Capital outlay.....**

**Aid.....**

**Capital**

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

\_\_\_\_\_

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

2026

**LB <sup>(1)</sup>1097 Adopt the State and Political Subdivisions Sexual Abuse Liability Act**

**FISCAL NOTE**

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

**University of Nebraska System**

Prepared by:<sup>(3)</sup> **Anne Barnes**

Date Prepared:<sup>(4)</sup> **01/28/2026**

Phone:<sup>(5)</sup>

**(402) 472-2191**

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<b>FY 2026 - 27</b>		<b>FY 2027 - 28</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
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:**

LB 1097 creates additional exposure for the University, but any financial impact is not quantifiable as it is dependent upon whether or not an insurable event were to occur. If passed, the bill creates additional liability risks and could lead to increased insurance costs.

The additional exposure results from the modification of the statute of limitations, which allows more time for a claim to be reported. While the University has insurance coverage for sexual misconduct, the coverage limit is reduced from \$30 million to \$5 million if claim is reported more than 10 years after the end of the policy period. With a lower limit of insurance after 10 years, there is more exposure to the University, depending on the size of the settlement.

Personal Services:

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

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