

**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	153,976	0	0	0	153,976
FY2027-2028	5,764,232	0	0	0	5,764,232
FY2028-2029	5,764,232	0	0	0	5,764,232
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 902 adopts the Medical Standards for Incarcerated Individuals Act, requiring the Nebraska Department of Correctional Services (NDCS) to implement standardized medical care protocols and a documented process for responding to inmate health complaints.

The bill requires NDCS staff and contractors to report suspected medical neglect to the Office of Inspector General and expands the Inspector General's authority to investigate medical neglect and publicly report on certain deaths and compliance audits.

The Legislative Council states LB 902 expands the Office of Inspector General's duties by requiring investigations of alleged or suspected medical neglect involving individuals in NDCS custody or supervision and requiring an audit and report on NDCS compliance with the bill. The agency states this would have a fiscal impact of \$153,976 in FY26-27 and \$157,401 in FY27-28.

NDCS states that additional providers, nursing staff, and support staff are needed to support seven-day sick call at each facility and to complete initial assessments of inmate health complaints within 48 hours, and that support staff would also compile records for audits and other requests from the Inspector General. The estimated cost for 38.0 FTE is \$5,606,831, including \$4,091,057 in PSL, \$1,431,870 in benefits, and \$83,904 for other services and equipment.

There is no basis to disagree with these estimates.

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

**2026**

**LB<sup>(1)</sup> 902**

**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:** 01/20/2026

<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>			\$5,606,831	
<b>CASH FUNDS</b>				
<b>FEDERAL FUNDS</b>				
<b>OTHER FUNDS</b>				
<b>TOTAL FUNDS</b>			\$5,606,831	

**Explanation of Estimate:**

LB902 adopts the Medical Standards for Incarcerated Individuals Act. All required protocols, reporting systems, and oversight coordination necessary to carry out the Act shall be implemented on or before January 1, 2028. An annual audit of the department's compliance with the Act will be conducted by the office of Inspector General of the Nebraska Correctional System on or before May 15 each year beginning in 2028.

The bill requires each facility to establish a maximum timeframe, not to exceed forty-eight hours, for medical staff to conduct an initial assessment in response to an inmate's health complaint. The department will maintain record of all actions taken in response to each health complaint and make those records immediately available to the office of Inspector General of the Nebraska Correctional System upon request.

Additional providers, nursing staff, and support staff are needed to accommodate seven-day sick call at each facility in order to conduct initial assessment on every inmate's health complaint within the forty-eight hours. Support staff will also compile records in response to audit and other requests from the Inspector General. The estimated cost for the additional 38.0 FTE needed is \$5,606,831. This includes \$4,091,057 PSL, \$1,431,870 benefits, and \$83,904 for other services and equipment.

**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>		
Physician Assistant		5.0		\$748,800
RN – Medical		11.0		\$1,144,000
RN – Behavioral Health		8.0		\$832,000
Psychiatric providers – PMHNP or PA		7.0		\$1,048,320
Staff Care Technician II		7.0		\$317,937
<b>Benefits</b> .....				\$1,431,870
<b>Operating</b> .....				\$83,904
<b>Travel</b> .....				
<b>Capital outlay</b> .....				
<b>Aid</b> .....				

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

_____	_____
_____	_____
_____	_____
_____	\$5,606,831

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 902	AM:	AGENCY/POLT. SUB: Legislative Council	
REVIEWED BY:	Jennifer Alcazar	DATE: 1/20/2026	PHONE: (402) 471-4169
COMMENTS: No basis to dispute the Legislative Council's fiscal impact as a result of LB 902.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 902	AM:	AGENCY/POLT. SUB: Nebraska Department of Correctional Services	
REVIEWED BY:	Jennifer Alcazar	DATE: 1/22/2026	PHONE: (402) 471-4169
COMMENTS: No basis to disagree with the Department of Correctional Services' analysis and estimate fiscal impact as a result of LB 902.			

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

**2026**

**LB<sup>(1)</sup> 902**

**FISCAL NOTE**

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

Legislative Council

Prepared by: <sup>(3)</sup> Shelley Reed

Date Prepared: <sup>(4)</sup> 1/15/2026

Phone: <sup>(5)</sup> 402-471-2226

**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	<u>153,976</u>		<u>157,401</u>	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b><u>153,976</u></b>		<b><u>157,401</u></b>	

**Explanation of Estimate:**

LB 902 would add additional responsibilities to the Office of Inspector General of Correctional Services. Section 10 would require the Office to investigate all allegations or incidents of medical neglect of individuals in the custody or under the supervision of the Department of Correctional Services. It is anticipated that this would result in a significant increase in mandatory investigations required of the Office. Section 13 would require the Office to conduct an audit of the Department of Correctional Services' compliance with the requirements of the bill and draft a report. The addition of these responsibilities would require an additional Assistant Inspector General within the Office.

**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>
Assistant Inspector General I	<u>1</u>	<u>1</u>	<u>83,272</u>	<u>87,889</u>
Benefits.....			<u>63,469</u>	<u>66,712</u>
Operating.....			<u>1,600</u>	<u>1,300</u>
Travel.....			<u>1,500</u>	<u>1,500</u>
Capital outlay.....			<u>4,135</u>	
Aid.....				
Capital improvements.....				
<b>TOTAL.....</b>			<b><u>153,976</u></b>	<b><u>157,401</u></b>