

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	0	0
FY2027-2028	0	0	0	0	0
FY2028-2029	0	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.

LB1015 would make the following amendments to the Employment Security Law:

- Amend the distribution of all state unemployment insurance tax collected under sections 48-648 to 48-661, less refunds, shall also include the Business Innovation Cash Fund;
- Create duties on the Commissioner of Labor related to designating the distribution of state unemployment insurance tax to the Workforce Development Program Cash Fund and to the Business Innovation Cash Fund. Requires the Department of Labor to execute a memorandum of understanding with the Department of Economic Development before September 30 each calendar year to ensure the commissioner receives sufficient information regarding the status of programs administered under the Business Innovation act, including any data necessary for the commissioner to make an informed determination pursuant to the distribution of state unemployment insurance tax rate; and
- Require notice in contracts that the awardee will pay to the Business Innovation Cash Fund.

LB1015 would make the following amendments to the Business Innovation Act:

- Create a finding of the Legislature that the act will establish that any entity receiving financial assistance under the Business Innovation Act and that employs and person in this state, whether or not such entity is subject to the Employment Security Law, shall be required to submit to the Department of Labor quarterly wage reports on such forms and in such manner as the Commissioner of Labor may require;
- Amend the qualified action plan under the act to include selection criteria establishing that any entity applying for financial assistance under the Business Innovation Act that employs any person in this state, whether or not such entity is subject to the Employment Security Law, shall be required to submit to the Department of Labor quarterly wage reports on such forms and in such manner as the Commissioner of Labor may require;
- Create the Business Innovation Cash Fund, lists the funding source and allows the fund to be used for the purpose of carrying out the Business Innovation Act and payment of unemployment benefits if determined necessary by the Commissioner of Labor, restricts the fund to be used for carrying out the Bioscience Innovation Program, and creates a cap on administrative costs associated with the fund at five percent of the appropriation of the fund.

Revenues into the Business Innovation Cash Fund and Workforce Development Fund would be determined by the Commissioner of Labor. No General Fund impact. The Cash Fund revenue impact is indeterminate. In the event that a portion of state unemployment insurance tax is remitted to the Business Innovation Cash Fund, a cash fund appropriation may be requested to utilize funds. Such appropriation would be addressed through the budget process.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 1015 AM: AGENCY/POLT. SUB: Department of Economic Development (DED)

REVIEWED BY: Ryan Yang DATE: 1/20/2026 PHONE: (402) 471-4178

COMMENTS: The DED assessment of no fiscal impact from LB 1015 appears reasonable.

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

2026

LB⁽¹⁾ 1015

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Department of Economic Development

Prepared by: ⁽³⁾ Kob Kitcharoen Date Prepared: ⁽⁴⁾ 01/14/25 Phone: ⁽⁵⁾ (402) 471-3741

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2026-27		FY 2027-28	
	<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:

LB1015 Section 9 creates the Business Innovation Cash Fund to finance programs authorized under the Business Innovation Act, excluding the Bioscience Innovation Program. The fund will be supported by a portion of state unemployment insurance tax deposits, in an amount designated by the Commissioner of the Department of Labor on or before December 31 of each calendar year based on information provided to the Commissioner pursuant to a memorandum of understanding with the Department of Economic Development (DED). The bill authorizes DED to use up to five percent of any appropriation from the fund for administrative expenses.

LB1015 also requires that any recipients of financial assistance under the Business Innovation Act who employ one or more individuals in Nebraska submit quarterly wage reports to the Department of Labor as condition of receiving assistance.

Based on the current language, DED does not expect any change with current resources.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2026-27	2027-28
	<u>26-27</u>	<u>27-28</u>	<u>EXPENDITURES</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⁾ 1015

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Department of Labor

Prepared by: ⁽³⁾ Rea Easton Date Prepared: ⁽⁴⁾ 01/14/2026 Phone: ⁽⁵⁾ 402-416-6809

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: There is no fiscal impact to the Nebraska Department of Labor for LB 1015.

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.....				
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Travel.....				
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Capital				
outlay.....				
Aid.....				
.				
Capital				
improvements.....				
TOTAL.....				