

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	275,001	0	0	0	275,001
FY2027-2028	281,010	0	0	0	281,010
FY2028-2029	281,010	0	0	0	281,010
REVENUE	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

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB1096 would create the Adopt the Preventing Lethal Agricultural and National Threats Act which would do the following:

- Set definitions under the act;
- Create restrictions on importations;
- Create felonies; and
- Allows for the Department of Agriculture to adopt and promulgate rules and regulations related to designation of a high-risk agricultural pathogen or pest and for the administration of the act.

LB 1096 would create the Critical Infrastructure Protection Act which would do the following:

- Set the purpose of the act;
- Set definitions under the act;
- Create restrictions on entering into contracts and agreements and exceptions to the restrictions;
- Require a company to file a registration form annually and pay a registration fee to the Attorney General on a form prescribed by the Attorney General in order to access critical infrastructure;
- Create qualifications to access to critical infrastructure;
- Requires the Attorney General to set the registration fee in an amount sufficient to cover the cost of administering the registration process but not to exceed \$150;
- Require notice to the Attorney General related to the sale, transfer, and investment in critical infrastructure to or by a person or entity domiciled outside of the United States or an entity with any foreign adversary ownership;
- Creates a thirty-day cap for the Attorney General to investigate proposed sales, transfers, or investment, creates a duty for the Attorney General to act based on findings;
- Create a duty for a court to grant an injunction based on finding such sale, transfer, or investment poses a reasonable threat to state critical infrastructure;
- Require the Attorney General to notify owners of critical infrastructure of known or suspected cyber threats, vulnerabilities, and foreign adversary activities in a manner consistent with goals enumerated in the act;
- Restrict software used in critical infrastructure;
- Require the Attorney General to create a public list of prohibited network-connected technologies that shall not be connected to critical infrastructure operating networks starting thirty days after the technology is put on the list, creates the list; and
- Restrict a governmental entity beginning 9/1/2026 from adding a prohibited network-connected technology to any critical infrastructure operating network or renewing a contract with a vendor of a school bus infraction detection system a speed detection system, a traffic infraction detector, or any other camera system used for enforcing traffic if such technology is a prohibited network-connected technology.

LB1096 would add information related to critical water infrastructure to being withheld from public records.

LB1096 would remove permission from the Public Service Commission and require them to assess fees under 86-125 and would require the Attorney General to, upon a finding that the violation is proven by clear and convincing evidence, assess a civil penalty of up to \$10,000 per day.

No basis to disagree with the Department of Agriculture and State Treasurer estimate of no fiscal impact. No basis to disagree with the Department of Corrections estimate for indeterminate fiscal impact. No basis to disagree with the Attorney General's estimate for increased administrative cost related to the act. However, our office estimates that there will be revenue resulting from administrative fees levied in section ten of the act which are not reflected in the Agency response. Such revenue is indeterminate and would be based upon the rate levied by the Attorney General.

Section 10 creates a fee for administration. Our office assumes the fee will remit to the General Fund.

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

2026

LB⁽¹⁾ 1096

FISCAL NOTE

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

Prepared by: ⁽³⁾ Kevin Shearman Date Prepared: ⁽⁴⁾ 1/20/26 Phone: ⁽⁵⁾ 402-580-1451

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:

No Fiscal Impact.

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.....	_____	_____	_____	_____

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2026

LB⁽¹⁾ 1096

FISCAL NOTE

State Agency OR Political Subdivision
Name: ⁽²⁾

Attorney General

Prepared by: ⁽³⁾ Justin Lavene

Date Prepared: 1-18-26
⁽⁴⁾

Phone: ⁽⁵⁾ 402-471-2687

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	275,001		281,010	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	275,001		281,010	

Explanation of Estimate:

LB1096 has a fiscal impact on the Attorney General’s Office (AGO). The Critical Infrastructure Protection Act creates administrative and substantive obligations for the AGO. The administrative obligations under the Act, which include managing registrations, processing reports, and creating a public list of prohibited technologies, will require the AGO to hire an additional legal assistant or paralegal. Additionally, the bill compels the AGO to expedite investigations under the Act and bring subsequent enforcement actions. These substantive obligations will require the AGO to hire an additional full-time attorney.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2026-27 <u>EXPENDITURES</u>	2027-28 <u>EXPENDITURES</u>
	<u>26-27</u>	<u>27-28</u>		
Assistant Attorney General	1.0	1.0	120,000	123,600
Paralegal/Legal Assistant	1.0	1.0	54,000	55,620
Benefits			101,001	101,790
...				
Operating				
....				
Travel				
.				
Capital outlay				
Aid				
.				
Capital improvements				
TOTAL			275,001	281,010

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 1096	AM:	AGENCY/POLT. SUB: Attorney General
REVIEWED BY: Taten Raml	DATE: 2/3/2026	PHONE: (531) 310-4102
COMMENTS: The Attorney General's estimated fiscal impact as a result of LB1096 appears overstated. Funds from the registration fee and other settlements may be available.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 1096	AM:	AGENCY/POLT. SUB: Nebraska Department of Correctional Services
REVIEWED BY: Taten Raml	DATE: 1/30/2026	PHONE: (531) 310-4102
COMMENTS: No basis to disagree with the Nebraska Department of Correctional Services assessment of indeterminate fiscal impact from LB1096.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 1096	AM:	AGENCY/POLT. SUB: Department of Agriculture
REVIEWED BY: Taten Raml	DATE: 1/30/2026	PHONE: (531) 310-4102
COMMENTS: Concur with the Department of Agriculture's assessment of no fiscal impact from LB1096.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 1096	AM:	AGENCY/POLT. SUB: State Treasurer
REVIEWED BY: Taten Raml	DATE: 1/27/2026	PHONE: (531) 310-4102
COMMENTS: The State Treasurer's assessment of no fiscal impact from LB1096 appears reasonable.		

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

2026

LB⁽¹⁾ 1096

FISCAL NOTE

State Agency OR Political Subdivision
Name: ⁽²⁾

Nebraska Department of Correctional Services

Prepared by: ⁽³⁾ Lisa Stanton

Date Prepared: 01/28/2026
⁽⁴⁾

Phone: ⁽⁵⁾ (402)479-5702

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:

LB1096 adopts the Preventing Lethal Agricultural and National Threats Act, the Critical Infrastructure Protection Act, and provides civil and criminal penalties.

The bill could increase the number of persons in prison. The specific amount of impact is indeterminable. The FY25 per diem cost was \$33.73 for each incarcerated individual, or \$12,309.72 per year.

Any product used in critical infrastructure determined to be produced by a foreign adversary would need to be replaced. The specific amount of impact, if any, is also indeterminable.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

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

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

_____	_____
_____	_____
_____	_____
_____	_____

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2026

LB⁽¹⁾ 1096

FISCAL NOTE

State Agency OR Political Subdivision
Name: ⁽²⁾

State Treasurer

Prepared by: ⁽³⁾ Jason Walters

Date Prepared: ⁽⁴⁾ January 21, 2026

Phone: ⁽⁵⁾ 402-471-2793

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:

The State Treasurer's Office doesn't expect any fiscal impact from LB 1096 to the office.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

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