

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.

LB1203 establishes statutory procedures for tracking and voiding unclaimed checks and clarifies that unclaimed checks under \$100 are excluded from the Uniform Disposition of Unclaimed Property Act.

The Lancaster County Treasurer, Lancaster County Clerk, and the Nebraska Association of County Officials (NACO) responded to the request for fiscal note response for LB 1203. NACO surveyed a sampling of counties across the state, including Frontier, Madison, Keith, Box Butte, Scotts Bluff, Cherry, Holt, Hall, Buffalo, Seward, Washington, and Cass.

Lancaster County Treasurer counted 167 uncashed checks remitted to the State Treasurer, of which 141 were in amounts under \$100. The total value of the uncashed checks was \$3,518. The voiding of uncashed checks would represent an equivalent increase in revenue. In addition, a small cost savings would result from the reduction of stop payment fees and postage expense. The Lancaster County Clerk reports that uncashed checks in amounts less than \$100 totaled \$7,345 in 2025, but that actual revenues would vary significantly from year to year depending on the number of checks that remain uncashed. The survey and analysis by NACO projects that the overall number of uncashed checks in any year would number 270-450, and the gross value to be approximately \$8,100-\$9,000.

While the impact of LB 1203 is expected to be minimal for any one county, it would permit administrative processes to become more efficient.

We concur with the estimates and efficiencies projected by the Counties.

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

LB: 1203 AM: AGENCY/POLT. SUB: Lancaster County Treasurer

REVIEWED BY: Ryan Walton DATE: 1/30/2026 PHONE: (402) 471-4174

COMMENTS: No basis to disagree with the Lancaster County Treasurer's assessment of fiscal impact from LB 1203.

Technical Note – The General Fund fiscal impact notated on the Lancaster County Treasurer's response is in regard to the County's General Fund and not the State's.

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

LB: 1203 AM: AGENCY/POLT. SUB: Nebraska Association of County Officials (NACO)

REVIEWED BY: Ryan Walton DATE: 1/28/2026 PHONE: (402) 471-4174

COMMENTS: No basis to disagree with NACO's assessment of minimal fiscal impact from LB 1203.

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

LB: 1203 AM: AGENCY/POLT. SUB: Lancaster County Clerk

REVIEWED BY: Ryan Walton DATE: 1/25/2026 PHONE: (402) 471-4174

COMMENTS: No basis to disagree with the Lancaster County Clerk's assessment of fiscal impact from LB 1203.

Technical Note – General Fund revenue listed by the Lancaster County Clerk is in reference to the County's General Fund, not the State's.

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

2026

LB⁽¹⁾ 1203

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Lancaster County Clerk

Prepared by: ⁽³⁾ Matt Hansen Date Prepared: ⁽⁴⁾ 1-23-2026 Phone: ⁽⁵⁾ 402-441-8721

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	<u>0</u>	<u>5,571.95</u>	<u>0</u>	<u>5,571.95</u>
CASH FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
FEDERAL FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
OTHER FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u><u>0</u></u>	<u><u>5,571.95</u></u>	<u><u>0</u></u>	<u><u>5,571.95</u></u>

Explanation of Estimate:

In 2024 our office had \$3,798.73 in uncashed checks in amounts less than \$100.
 In 2025 our office had \$7,345.16 in uncashed checks in amounts less than \$100.

The average of these two years is \$5,571.95, which is used as an estimate of future General Fund revenue should Lancaster County be permitted to retain these amounts under Section 3 of LB1203. Actual revenues may vary significantly from year to year depending on the number of checks that remain uncashed.

We do not anticipate any expenses to implement LB1203 as we already remit uncashed checks to the Unclaimed Property Division on a yearly basis.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

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

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2026

LB⁽¹⁾ 1203

FISCAL NOTE

State Agency OR Political Subdivision
Name: ⁽²⁾

Lancaster County Treasurer

Prepared by: ⁽³⁾ Rachel Garver

Date Prepared: ⁽⁴⁾ Jan. 28, 2026

Phone: ⁽⁵⁾ 402-441-7425

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	-444	3,518	-460	3,518
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	-444	3,518	-460	3,518

Explanation of Estimate:

The most recent review identified 167 uncashed checks remitted to the State Treasurer, of which 141 were in amounts under \$100. Assuming a comparable volume of 141 checks in FY 2026–27, this is projected to generate estimated cost savings of \$355.20 in stop-payment fees (calculated at \$4.80 per check for amounts over \$25) and \$88.80 in postage costs. For FY 2027–28, estimates reflect a modest increase in postage expenses. Overall, these assumptions result in total expenditure savings of \$444 in FY 2026–27 and \$460 in FY 2027–28.

In calendar year 2025, uncashed checks under \$100 totaled \$3,518. Assuming a similar dollar amount in subsequent fiscal years, these uncashed checks would be voided and the funds would be credited to the General Fund and therefore represent a source of revenue.

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⁾ 1203

FISCAL NOTE

State Agency OR Political Subdivision
Name: ⁽²⁾

Nebraska Association of County Officials (NACO)

Prepared by: ⁽³⁾ Elaine Menzel

Date Prepared: 1/27/2026
⁽⁴⁾

Phone: ⁽⁵⁾ 402.434.5660

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2026-27</u>		<u>FY 2026-27</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:

LB1203 would require each county clerk and county treasurer maintain a list of checks issued by their office that remain uncashed after two years. Further, LB1203 would provide that any such check for an amount of less than \$100 be void three years after the date of its issuance and shall cease to be an obligation of the county at such time. Any check that is void pursuant to subsection (2) of this section shall be charged off upon the books of the county, and the county treasurer shall credit the money, including any interest thereon, to the general fund of such county.

NACO surveyed the following counties about the number of uncashed checks (and gross value) in 2025: Frontier, Madison, Keith, Box Butte, Scotts Bluff, Cherry, Holt, Hall, Buffalo, Seward, Washington, and Cass. The following observations can be made based on this limited sample. First, there is wide variation in the number of uncashed checks and their gross value. Smaller counties appear to have much fewer uncashed checks than larger counties (e.g., Frontier County reported 0 checks, while Buffalo County reported 64 checks; Washington County reported a total of \$35 in gross value, while Box Butte County reported a total of \$568.44 in gross value). If we take the median number of uncashed checks and the median gross value of these checks from this sample, we estimate that each Nebraska county has around 3-5 uncashed checks with a total gross value of \$90-\$100. If we multiply these figures by 90 counties (omitting Douglas, Lancaster, and Sarpy), then we estimate the overall number of uncashed checks to be approximately 270-450 and the gross value to be approximately \$8,100-\$9,000. Accounting for Douglas, Sarpy, and Lancaster, the overall figure is likely higher, perhaps around 700-800 uncashed checks with a gross value of \$12,000-\$15,000.

The fiscal impact of LB1203 is expected to be minimal but it would permit administrative processes to become more efficient.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

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

**Capital
outlay**.....
Aid.....
.
**Capital
improvements**.....
TOTAL.....

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____