

PREPARED BY: Scott Danigole  
 DATE PREPARED: March 08, 2023  
 PHONE: 402-471-0055

**LB 618**

Revision: 00

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>				
	<b>FY 2023-24</b>		<b>FY 2024-25</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS	\$1,251,360		\$1,251,360	
TOTAL FUNDS	\$1,251,360		\$1,251,360	

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

LB 618 specifies that “Public benefits”, as defined in 4-109, does not include unemployment benefits provided pursuant to the Employment Security Law.

Section 2 requires any individual who qualifies for benefits under 48-628.04 (1) to have his or her employment authorization document verified through the Systematic Alien Verification for Entitlements Program.

The Department of Labor (DOL) estimates the pool of eligible claimants for unemployment insurance will increase under the provisions of LB 618. Based on an anticipated 300 additional claimants with an average weekly benefit of \$379.20, DOL estimates an increase in unemployment claim payouts of \$1,251,360 per year.

There is no basis to disagree with this estimate.

The Department of Revenue estimates no impact to General Fund revenue and no cost to implement the bill.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
<b>LB: 618</b>	<b>AM:</b>	<b>AGENCY/POLT. SUB: Nebraska Department of Labor</b>	
REVIEWED BY: Kimberly Burns	DATE: 03/08/2023	PHONE: (402) 471-4171	
COMMENTS: No basis to disagree with the Nebraska Department of Labor’s assessment of fiscal impact from LB 618.			

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
<b>LB: 618</b>	<b>AM:</b>	<b>AGENCY/POLT. SUB: Department of Revenue</b>	
REVIEWED BY: Kimberly Burns	DATE: 03/09/2023	PHONE: (402) 471-4171	
COMMENTS: No basis to disagree with the Department of Revenue’s assessment of no fiscal impact from LB 618.			

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

**2023**

**LB<sup>(1)</sup> 618**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Department of Labor

Prepared by: <sup>(3)</sup> Rea Easton Date Prepared: <sup>(4)</sup> 03/6/2023 Phone: <sup>(5)</sup> 402-416-6809

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

	<u>FY 2023-24</u>		<u>FY 2024-25</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
TRUST FUNDS	<u>1,251,360</u>	_____	<u>1,251,360</u>	_____
TOTAL FUNDS	<u>1,251,360</u>	_____	<u>1,251,360</u>	_____

Explanation of Estimate: As proposed, LB 618 expands unemployment insurance benefit eligibility to individuals employed through a work authorization under the Deferred Action for Childhood Arrivals (DACA) program.

In 2022, 130 individuals were denied unemployment insurance benefits because of citizenship status. This number includes more individuals than those authorized to work under DACA. The Nebraska Department of Labor believes additional individuals in Nebraska under DACA may not have applied for unemployment insurance benefits because they knew they would not be eligible. The unemployment denial has been in place for several years and NDOL has seen a decrease in applicants ineligible for this reason. NDOL believes if LB618 passes, the pool of now eligible claimants will grow. Because the number is unknown, NDOL is estimating an additional 300 people would have received benefits each year going forward. The average weekly benefit amount for 2022 was \$379.20 and the average claim duration was approximately 11 weeks. The Nebraska Department of Labor anticipates it will pay out \$1,251,360 more ( $\$379.20 * 11 * 300$ ) in unemployment insurance benefits each year. NDOL would need to implement business process changes but does not anticipate any technology costs.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2023-24</u>	<u>2024-25</u>
	<u>23-24</u>	<u>24-25</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

**LB 618**

**Fiscal Note 2023**

**State Agency Estimate**

State Agency Name: Department of Revenue  
 Approved by: Glen White  
 Date Prepared: 03/08/2023  
 Date Due LFO:  
 Phone: 471-5896

	<b>FY 2023-2024</b>		<b>FY 2024-2025</b>		<b>FY 2025-2026</b>	
	<u>Expenditures</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Revenue</u>
General Funds		\$ 0		\$ 0		\$ 0
Cash Funds						
Federal Funds						
Other Funds						
<b>Total Funds</b>		\$ 0		\$ 0		\$ 0

LB 618 amends Neb. Rev. Stat. § 4-109 to exclude from the public benefits division any unemployment benefits provided under the Employment Security Law.

The operative date for LB 618 is three months after adjournment.

It is estimated that LB 618 will have no impact on General Fund revenues.

It is estimated that there will be no cost to Department of Revenue to implement this bill.

**Major Objects of Expenditure**

<u>Class Code</u>	<u>Classification Title</u>	<u>23-24 FTE</u>	<u>24-25 FTE</u>	<u>25-26 FTE</u>	<u>23-24 Expenditures</u>	<u>24-25 Expenditures</u>	<u>25-26 Expenditures</u>
	Benefits.....						
	Operating Costs.....						
	Travel.....						
	Capital Outlay.....						
	Capital Improvements.....						
	<b>Total.....</b>						