

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

LB 666

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2023-24		FY 2024-25	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS	(\$15,075)		(\$22,612)	
OTHER FUNDS				
TOTAL FUNDS	(\$15,075)		(\$22,612)	

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

LB 666 allows the Department of Labor (DOL) to issue unemployment tax rate notices electronically, at an employer's election. Current law requires mailing of such notices.

DOL estimates the annual cost of notifying all employers by mail to be \$30,150. Assuming 50% of employers select electronic notification during year 1 and 75% beginning in year 2, DOL estimates reduced Federal Fund expenditures in the amounts of (\$15,075) in fiscal year 2023-24 and (\$22,612) beginning in fiscal year 2024-25. There is no basis to disagree with these estimates.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 666	AM:	AGENCY/POLT. SUB: Nebraska Department of Labor	
REVIEWED BY: Kimberly Burns	DATE: 03/08/2023	PHONE: (402) 471-4171	
COMMENTS: The Nebraska Department of Labor's assessment of fiscal impact from LB 666 seems reasonable given the assumptions used.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 666	AM:	AGENCY/POLT. SUB: Department of Revenue	
REVIEWED BY: Kimberly Burns	DATE: 03/09/2023	PHONE: (402) 471-4171	
COMMENTS: Concur with the Department of Revenue's assessment of no fiscal impact from LB 666.			

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

2023

LB⁽¹⁾ 666

FISCAL NOTE

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

Prepared by: ⁽³⁾ Rea Easton Date Prepared: ⁽⁴⁾ 01/20/2023 Phone: ⁽⁵⁾ 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	<u>(15,075)</u>	_____	<u>(22,612)</u>	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>(15,075)</u>	_____	<u>(22,612)</u>	_____

Explanation of Estimate: Under current law, the Nebraska Department of Labor is required to mail unemployment tax rate notices. LB666 would allow employers to elect electronic notification. The annual cost of notifying all employers of unemployment tax rates via mail is \$30,150. It is estimated that 50% of employers will select electronic notification during Year 1 increasing to 75% in Year 2. This will result in reduced expenses against the UI Admin grant.

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.....	_____	_____	<u>(15,075)</u>	<u>(22,612)</u>
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	<u>(15,075)</u>	<u>(22,612)</u>

