

**FISCAL NOTE**

**LEGISLATIVE FISCAL ANALYST ESTIMATE**

Revised per AM2726

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>					
<b>EXPENDITURES</b>	<b>GENERAL</b>	<b>CASH</b>	<b>FEDERAL</b>	<b>REVOLVING</b>	<b>TOTAL</b>
FY2025-2026	0	0	0	0	0
FY2026-2027	175,496	0	0	0	175,496
FY2027-2028	179,640	0	0	0	179,640
FY2028-2029	179,640	0	0	0	179,640
<b>REVENUE</b>	<b>GENERAL</b>	<b>CASH</b>	<b>FEDERAL</b>	<b>REVOLVING</b>	<b>TOTAL</b>
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.**

AM2726 to LB1096 would do the following:

Create the Preventing Lethal Agricultural and National Threats Act, which would do the following:

- Set administration of the act within the Nebraska Department of Agriculture (NDA);
- Set definitions under the act;
- Create restrictions on importation agricultural pathogens into Nebraska without a permit or authorization from NDA;
- Create the following penalties for violation:
  - A Class III felony for violation;
  - If the violation involves the concealment of the origin of a high-risk agricultural pathogen or pest, is committed by a person acting on behalf of, or funded by, a foreign government, or results in actual economic damage exceeding one million dollars the penalty will be a Class IIA felony;
- Allows for NDA to adopt and promulgate rules and regulations for designation of a high-risk agricultural pathogen and for the purpose of carrying out the act.

AM2726 to LB1096 creates definitions and creates the following:

- Restrictions on a company or other entity constructing, repairing, operating, or otherwise having significant access to critical infrastructure from entering into a contract or other agreement relating to critical infrastructure in this state with a foreign principal if the agreement would allow the foreign principal to directly or remotely access or control critical infrastructure in this state;
- Restrictions on a governmental entity from entering into a contract or other agreement relating to critical infrastructure in this state with a company that is a foreign principal if the agreement would allow the foreign principal to directly or remotely access or control critical infrastructure in this state; and
- Exemptions if there is no other reasonable option for addressing the need relevant to critical infrastructure and not entering into such contract or agreement would pose a greater threat to the state than the threat associated with entering into the contract.

AM2726 to LB1096 amends the definition of foreign adversary under 77-3,114 and create a definition for group of companies and has any other term under that section have the same meaning as used in the Nebraska Revenue Act of 1967. The bill creates a restriction on companies that are not a foreign adversarial company to only use benefits against income taxes of the members of the same group of companies that are not foreign adversarial companies. The bill also describes the distribution of tax liability attributable to members of the unitary group that are foreign adversarial companies.

AM2726 to LB1096 would amend the Nebraska Advantage Act and ImagiNE Nebraska Act to restrict incentives from being given to a foreign adversarial company as defined under 77-3,114.

AM2726 to LB1096 would exempt information relating to critical water, telecommunications and broadband infrastructure from public information laws.

AM2726 to LB1096 would require the Public Service Commission to fine any communications provider which violates 86-125. AM2313 to LB1096 would require the Attorney General to, beginning 11/1/2026, assess a civil penalty of up to ten thousand dollars per day against any communications provider that fails to submit the annual certification required under 86-125 or is unable to certify that its network is free of covered communications equipment and services pursuant to subdivision (4)(c) of 86-125.

No basis to disagree with the estimate for cost provided by the Attorney General related to this legislation.

The Department of Revenue estimates an indeterminate increase in General Fund revenue due to the provisions limiting companies that are foreign adversaries or owned by foreign adversaries from using incentive credits. The impact of these provisions is estimated to be in years beyond the current General Fund status time period. There is no basis to disagree with the department's analysis.

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**2026**

**LB<sup>(1)</sup> 1096, AM2313, AM2726**

**FISCAL NOTE**

State Agency OR Political Subdivision  
Name: <sup>(2)</sup>

Attorney General

Prepared by: <sup>(3)</sup> Justin Lavene

Date Prepared: 3-24-26  
<sup>(4)</sup>

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

	<b>FY 2026-27</b>		<b>FY 2027-28</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
<b>GENERAL FUNDS</b>	175,496		179,640	
<b>CASH FUNDS</b>				
<b>FEDERAL FUNDS</b>				
<b>OTHER FUNDS</b>				
<b>TOTAL FUNDS</b>	175,496		179,640	

**Explanation of Estimate:**

LB1096 AM2313, AM2726 has a fiscal impact on the Attorney General’s Office (AGO). The Preventing Lethal Agricultural and National Threats Act provides for criminal enforcement of violations. Additionally, the amendment compels the AGO to bring civil enforcement actions against communications providers that fail to submit annual certifications or are unable to make the required certifications. These obligations will require the AGO to hire an additional full-time attorney.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<b>POSITION TITLE</b>	<b>NUMBER OF POSITIONS</b>		<b>2026-27 EXPENDITURES</b>	<b>2027-28 EXPENDITURES</b>
	<b>26-27</b>	<b>27-28</b>		
Assistant Attorney General	1.0	1.0	120,000	123,600
<b>Benefits</b> .....			55,496	56,040
...				
<b>Operating</b> .....				
....				
<b>Travel</b> .....				
.				
<b>Capital outlay</b> .....				
<b>Aid</b> .....				
.				
<b>Capital improvements</b> .....				
<b>TOTAL</b> .....			175,496	179,640



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

LB: 1096

AM: 2313, 2726

AGENCY/POLT. SUB: Attorney General

REVIEWED BY: Taten Raml

DATE: 4/1/2026

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COMMENTS: The Attorney General's estimated fiscal impact as a result of LB1096 AM2313; AM2726 appears overstated. The enforcement of prescribed civil penalties is a natural extension of current operations and responsibilities.