

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

Updated for 2026 session.

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	262,732	0	0	0	262,732
FY2027-2028	190,699	0	0	0	190,699
FY2028-2029	190,699	0	0	0	190,699
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.

LB 532 requires employers to utilize E-Verify, after making an employment offer that has been accepted, to verify the employment authorization of each such employee.

Section 1 provides definitions. Section 1 (6)(b)(i) specifies that "Employer" does not include:

- (i) Local, state, or federal governmental agencies or political subdivisions or any corporation wholly owned by such an agency or subdivision

Section 3 prohibits an employer from knowingly employing an unauthorized alien. Consequences of violations include measures such as suspension of an employer's license and reinstatement fees.

Sections 4 through 6 require and allow the Nebraska Department of Labor (NDOL) to develop and administer a statewide random auditing program to inspect for compliance, investigate and inspect records for potential violations, and establish a dedicated public website to assist employers with compliance.

Section 9 allows NDOL to adopt and promulgate rules and regulations to carry out the provisions of LB 532. Section 11 provides an operative date of January 1, 2026.

NDOL estimates the need for 1.5 FTE to administer the provisions of LB 532. In FY27 only, an additional 0.5 FTE is needed to develop the required dedicated public website. NDOL estimates are based on ten percent (10%) of employers being audited each year with onsite visits for 634 employers. It is also estimated that eight (8) hearings will be required per year for a total of \$11,200 per year, and that an interpreter will be required for 25% or 2 of the hearings at a total of \$800 per year. Travel associated with the on-site visits are estimated at \$10,500 per year for about 100 visits. The Fiscal Office has no basis to disagree with these estimates.

The Department of Administrative Services and Workers Compensation Court report no fiscal impact to their agencies.

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

2026

LB⁽¹⁾ 532

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Department of Administrative Services

Prepared by: ⁽³⁾ Sarah Skinner Date Prepared: ⁽⁴⁾ 11/19/2025 Phone: ⁽⁵⁾ 402-419-4229

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2026-27		FY 2026-27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	_____	_____	_____	_____

Explanation of Estimate:

LB 532 requires employers to use the E-Verify system and prohibits knowingly hiring an unauthorized alien and provides for penalties.

As currently written under LB 532, 'Employer' as defined does not include local, state, or federal governmental agencies, although the Dept. of Administrative Services does currently use E-Verify for employment authorization.

LB 532 has no fiscal impact on the Dept. of Administrative Services.

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.....	_____	_____	_____	_____

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

2026

LB⁽¹⁾ 532

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Nebraska Department of Labor

Prepared by: ⁽³⁾ Rea Easton Date Prepared: ⁽⁴⁾ 11/21/2025 Phone: ⁽⁵⁾ 402-416-6809

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2026-27		FY 2027-28	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	<u>262,732</u>		<u>190,699</u>	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u>262,732</u>		<u>190,699</u>	

Explanation of Estimate: LB532 mandates that employers use the E-Verify system when hiring new employees. The bill also requires the Department of Labor to develop and administer a statewide random auditing program to inspect employers for their compliance with E-Verify. Based on available data for 2024, the number of Nebraska employers with 25 or more employees is 6,341. If ten percent of these employers are audited in any given year, NDOL would conduct onsite visits for 634 employers and these employers would have their records inspected by NDOL. NDOL estimates it will need one bi-lingual Labor Law Specialist. NDOL is also required to establish a dedicated public website as well as maintain a public database to record and track employer violations, which would require an IT Applications Developer/Sr six months to develop.

Employers are entitled to contest any determination by NDOL that they have violated the provisions of LB532 and request a hearing under the Administrative Procedures Act (APA). NDOL will need additional legal staff for representation at and preparation for these hearings. This would require a .5 Attorney III position. Additionally, the agency contracts with independent attorneys to act as hearing officers for APA hearings and these costs will increase under this bill. It is estimated that eight hearings will be required for a total of \$11,200 per year. An Interpreter will be required for 25% or 2 of the hearings at a total cost of \$800 per year. Travel associated with the on-site visits are estimated at 150 miles each at \$.70 per mile for \$10,500 for a total of 100 visits.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2026-27	2027-28
	26-27	27-28	EXPENDITURES	EXPENDITURES
Labor Law Specialist	1.0	1.0	61,305	63,144
Attorney III	.5	.5	49,376	50,858
IT Applications Developer/Sr	.5		49,296	
Total Salaries	2.0	1.5	159,977	114,002
Benefits.....			57,697	41,115
Operating.....			34,558	25,082
Travel.....			10,500	10,500
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			262,732	190,699

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

2025

LB⁽¹⁾ 532

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Nebraska Workers' Compensation Court

Prepared by: ⁽³⁾ Jill G. Schroeder

Date Prepared: ⁽⁴⁾

December 8,
2025

Phone: ⁽⁵⁾ 402.471.3602

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2025-26</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:

No fiscal impact.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2025-26 <u>EXPENDITURES</u>	2026-27 <u>EXPENDITURES</u>
	<u>25-26</u>	<u>26-27</u>		
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 532	AM:	AGENCY/POLT. SUB: Nebraska Workers Compensation Court
REVIEWED BY: Ryan Yang	DATE: 12/16/2025	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the Nebraska Workers Compensation Court assessment of no fiscal impact from LB 532.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 532	AM:	AGENCY/POLT. SUB: Department of Labor
REVIEWED BY: Ryan Yang	DATE: 12/16/2025	PHONE: (402) 471-4178
COMMENTS: The Department of Labor assessment of impact from LB 532 appears reasonable.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 532	AM:	AGENCY/POLT. SUB: Department of Administrative Services
REVIEWED BY: Ryan Yang	DATE: 12/216/2025	PHONE: (402) 471-4178
COMMENTS: The DAS assessment of impact from LB 532 appears reasonable.		