

PREPARED BY: Kenneth Boggs
 DATE PREPARED: February 04, 2025
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LB 416

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2025-26		FY 2026-27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

LB416 modifies Nebraska’s civil procedure law regarding joint and several liability in cases where a claimant enters into a release, covenant not to sue, or similar agreement with one of the liable parties. The bill clarifies how such agreements impact the financial responsibility of other defendants in multi-party claims.

The Department of Administrative Services (DAS) – Risk Management notes that LB 416 could lead to higher judgments and settlements in cases with multiple defendants. While the exact cost is unclear, it’s reasonable to expect a financial impact on the State Indemnification, State Insurance, and State Claims Funds, affecting both General and Revolving Funds. Any increase in Revolving Funds would mean a rate adjustment, and any potential fiscal impact would go through the state claims process for approval.

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

2025

LB⁽¹⁾ 416

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Department of Administrative Services (DAS) – Risk Management

Prepared by: ⁽³⁾ Sarah Skinner Date Prepared: ⁽⁴⁾ 2/25/2025 Phone: ⁽⁵⁾ 402-419-4229

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	_____	_____	_____	_____
REVOLVING FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>See Below</u>	_____	<u>See Below</u>	_____

Explanation of Estimate:

LB 416 would change the current law which is that claimants forfeit joint and several liability when they settle with a joint tort-feasor.

LB 416 could result in higher judgments and settlements of claims against the State in cases where there are multiple defendants. The exact cost cannot be precisely estimated, but it's reasonable to project a fiscal impact to the State Indemnification, State Insurance, and State Claims Funds - both General and Revolving Funds. Any increase in Revolving Funds would result in a rate increase.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

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