

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		\$1,200,000		\$1,200,000
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		\$1,200,000		\$1,200,000

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

LB 576 changes provisions related to the Enhanced Wireless 911 Services Act.

Section 1 changes the maximum surcharge for wireless customers from “up to seventy cents” to “up to one dollar” on all active telephone numbers or functional equivalents. In addition, language allowing a surcharge of up to fifty cents for users in a county containing a city of the metropolitan class is stricken.

Section 2 directs the Public Service Commission (PSC) to determine the amount of money to be deposited (and therefore collected) into the 911 Service System Fund for the following year “to maximize operational support for all public safety answering points in the state”.

The PSC estimates \$1,200,000 in additional revenue if the statewide surcharge is set at seventy cents. This will only impact users in Douglas County since the remainder of statewide users currently pay a rate of seventy cents. The provisions of LB 576 allow the PSC to increase the statewide surcharge up to one dollar, so room remains for future surcharge increases depending on funding needs. There is no basis to disagree with this estimate. The bill addresses revenue only and does not require additional duties related to the agency.

The Department of Administrative Services estimates increased costs of \$3,300 per year which would be paid by various agencies. This statewide cost can be absorbed within current budgets.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 576	AM:	AGENCY/POLT. SUB: Nebraska Public Service Commission	
REVIEWED BY: Joe Massey		DATE: 2/14/2025	PHONE: (402) 471-4181
COMMENTS: No basis to disagree with the Nebraska Public Service Commission's assessment of fiscal impact from LB: 576			

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

2025

LB⁽¹⁾ 576

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Department of Administrative Services (DAS) – Office of the Chief Information Officer (OCI)

Prepared by: ⁽³⁾ Noah Finlan Date Prepared: ⁽⁴⁾ 3/3/2025 Phone: ⁽⁵⁾ 402-471-4385

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	=====	=====	=====	=====

Explanation of Estimate:

The bill as written would change the current wireless carrier surcharge that is being collected from \$0.70 per line to \$1.00 per line. As of the completion of this fiscal note there are roughly 11,000 wireless phone numbers assigned to the state of Nebraska. This would result in a change in the surcharge collected from \$7,700 to \$11,000 annually. An estimated increase of \$3,300 per year.

The DAS-OCIO could absorb this increase with existing revolving fund appropriation. The increase in the surcharge amount would be passed on to the various state agencies.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....			_____	_____
Operating.....			\$2,300	_____
Travel.....			_____	_____
Capital outlay.....			_____	_____
Aid.....			_____	_____
Capital improvements.....			_____	_____
TOTAL.....			_____	_____

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

2025

LB⁽¹⁾ 576

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Public Service Commission

Prepared by: ⁽³⁾ Laurie Casados Date Prepared: ⁽⁴⁾ 2/7/2025 Phone: ⁽⁵⁾ 402-471-0252

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2025-26		FY 2026-27	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS				
CASH FUNDS	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,200,000</u>
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,200,000</u>

Explanation of Estimate:

Under current law, the maximum monthly wireless 911 surcharge rate for all active wireless telephone numbers in Nebraska is capped at \$.70 per month everywhere but Douglas County, where the maximum monthly rate is capped at \$.50 per month. LB 576 would equalize the wireless 911 surcharge rate for residents of all Nebraska counties and allow the potential increase of the maximum monthly rate to \$1.00.

The wireless 911 surcharge is determined annually by the Public Service Commission after conducting a public hearing. The surcharge is collected by wireless carriers and remitted to the Commission for deposit in the 911 Service System Fund. Monies in the Fund must be used solely for providing 911 services across the state. With respect to the amount of money to be deposited in the 911 Service System Fund each year, LB 576 includes new language stating that the Commission "maximize operational support for all public safety answering points in the state."

Currently, the wireless 911 surcharge is set at the statutorily maximum of \$0.50 per active line per month in Douglas County and \$0.70 per active line per month for all other counties in Nebraska. Increasing the statutory limit to \$1.00 per line per month statewide would not result in a fiscal impact to the 911 Service System Fund, unless and until the Commission determines that an increase in the surcharge is necessary.

If the monthly wireless 911 surcharge rate were to be set at a statewide rate, removing the cap in Douglas County, the revenue generated for the 911 Service System Fund would increase by approximately \$1,200,000 per year with the statewide rate set at \$.70.

The impact of the language regarding "maximize operational support" for PSAPs is unclear, but the Commission would utilize the additional funds towards operational costs of the 911 Service System, including increases to overall support to PSAPs.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2025-26	2026-27
	<u>25-26</u>	<u>26-27</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....				
Operating.....				

Travel.....		
Capital outlay.....		
Aid.....	1,200,000	1,200,000
Capital improvements.....		
TOTAL.....	1,200,000	1,200,000