

PREPARED BY: Nikki Swope  
 DATE PREPARED: March 17, 2025  
 PHONE: 402-471-0042

**LB 615**

Revision: 00

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

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

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

LB 615 would prohibit distributions of deepfakes and synthetic media that depicts a candidate or political party with the intent to injure the reputation of the candidate or party or otherwise deceives the voter. The bill also stipulates that if synthetic media is used it is required to include a disclosure stating that the media has been manipulated by artificial intelligence.

The bill would not apply to a radio or television broadcasting station when it is paid to broadcast a deceptive and fraudulent deepfake and has made a good faith effort to establish the depiction is not a deceptive and fraudulent deepfake, or in cases where federal law requires broadcasters to air advertisements from legally qualified candidates, or in cases where materially deceptive audio or visual media that constitutes satire or parody.

In order to adhere to the new investigative responsibilities, the Nebraska Accountability and Disclosure Commission (NADC) anticipates a need to either hire one FTE with experience in artificial intelligence or to contract for these services depending upon the number of complaints received by NADC. NADC anticipates the personnel or contracted expense in the amount of \$160,000 of General Funds in FY 2025-26 and \$166,000 of General Funds in FY 2026-27. It is further noted that the bill, as currently written, does not provide the methodology to identify as to whether artificial intelligence is being utilized in political advertisements and may require extensive investigations and potential litigation at a significant expense to the agency.

However, as this is a new area of investigation, the costs to NADC are difficult to estimate but are likely to be substantial.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 615	AM:	AGENCY/POLT. SUB: Nebraska Accountability & Disclosure Commission	
REVIEWED BY: Jacob Leaver	DATE: 3/17/2025	PHONE: (402) 471-4173	
COMMENTS: The fiscal estimates from the Nebraska Association & Disclosure Commission as a result of LB 615 appear reasonable.			

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

**2025**

**LB<sup>(1)</sup> 615**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Accountability & Disclosure Commission

Prepared by: <sup>(3)</sup> David Hunter Date Prepared: <sup>(4)</sup> 3/14/2025 Phone: <sup>(5)</sup> 402-471-2522

**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	<u>160,000</u>	<u>                    </u>	<u>166,000</u>	<u>                    </u>
CASH FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
FEDERAL FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
OTHER FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
TOTAL FUNDS	<u>160,000</u>	<u>                    </u>	<u>166,000</u>	<u>                    </u>

**Explanation of Estimate:**

Enactment of this bill could require our office to hire additional staff and/or contract for services from an expert in the field of artificial intelligence and could increase our required resources throughout the litigation process.

Enactment of this bill would place a number of new investigative responsibilities on the Nebraska Accountability and Disclosure Commission (NADC). Depending upon the number of complaints which the bill will generate, the NADC may need to obtain additional staff or contract for new services. Because the bill does not mention how the NADC would identify whether artificial intelligence is being used in political advertisements, it may be necessary to obtain expert advice on that subject at potentially significant expense to the NADC. Attempts to determine whether there are false allegations which are generated by artificial intelligence may require extensive and expensive investigations. Investigative determinations of whether speech is inaccurate may also involve constitutional questions leading to further litigation. Because this is a new area of potential investigation, the costs to the NADC are difficult to estimate but could be substantial.

**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>
Artificial Intelligence Expert	<u>1</u>	<u>1</u>	<u>95,000</u>	<u>100,000</u>
Benefits.....			<u>40,000</u>	<u>41,000</u>
Operating.....			<u>25,000</u>	<u>25,000</u>
Travel.....			<u>                    </u>	<u>                    </u>
Capital outlay.....			<u>                    </u>	<u>                    </u>
Aid.....			<u>                    </u>	<u>                    </u>
Capital improvements.....			<u>                    </u>	<u>                    </u>
TOTAL.....			<u>160,000</u>	<u>166,000</u>