

# 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		See below		
CASH FUNDS	See Below	See below	See Below	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See Below	\$0	See Below	

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

LB 537 changes provisions related to workforce development grants from the Department of Labor (DOL). Grants are currently required from the Workforce Development Program Cash Fund. LB 537 clarifies that grants shall be awarded evenly between the three congressional districts. Such grants shall be used for developing job skills, money management, communication skills, job preparation, and job placement. To be eligible for a grant, an applicant shall demonstrate the availability of one-to-one matching from private funds.

Section 1 (4) state Legislative intent to transfer one million five hundred thousand dollars (\$1,500,000) from the General Fund to the Workforce Development Program Cash Fund for fiscal year 2025-26 for DOL to provide grants.

DOL estimates the need for 1.6 FTE in FY26 and an annualized amount of 3.2 FTE beginning in FY27 to administer the grant program. The total estimate is \$185,761 for FY26 and \$336,961 beginning in FY27. Similar amounts were requested in DOL's biennial budget request. In an effort not to duplicate funding, the amounts identified by DOL for LB 537 are not included in the table above. If such funding is not included in the mainline budget, LB 537 will require an A bill to address this issue. LB 537 does not create a new grant program, it clarifies and provides parameters for an existing grant program which does not currently have administrative costs provided. The language of LB 537 clearly states that the purpose of the \$1,500,000 transfer from the General Fund is "to provide workforce development grants." It is therefore assumed that any administrative costs will be in addition to the administrative costs.

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

LB: 537			AM:			AGENCY/POLT. SUB: Nebraska Department of Labor		
REVIEWED BY: Ryan Yang			DATE: 2/26/2025			PHONE: (402) 471-4178		
COMMENTS: The Nebraska Department of Labor assessment of fiscal impact to the agency from LB 537 appears reasonable.								

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

**2025**

**LB<sup>(1)</sup> 537**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Department of Labor

Prepared by: <sup>(3)</sup> Rea Easton Date Prepared: <sup>(4)</sup> 2/19/2025 Phone: <sup>(5)</sup> 402-416-6809

**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	<u>185,761</u>		<u>336,961</u>	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u>185,761</u>		<u>336,961</u>	

**Explanation of Estimate:**

LB537 creates a grant program for developing job skills, money management, communication skills, job preparation, and job placement which will be awarded evenly between the three congressional districts. LB537 will require those receiving a Workforce Development Grant to demonstrate the availability of one-to-one matching funds from private funds. A grant recipient shall report to the agency regarding job placement and self-sufficiency development of individuals receiving such services.

LB537 will require NDOL to utilize one Job Training Program Coordinator and one Workforce Coordinator beginning January 1, 2026, for program development, grant management and to process applications. This will also require an Accountant II and part of a NDOL Workforce Services Administrator. IT Applications Developer/Sr position will be required to develop online application submissions and tracking.

**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>
JT Program Coordinator	.50	1.00	34,036	70,114
Workforce Coordinator	.50	1.00	28,296	58,291
Workforce Services Administrator	.10	.20	10,007	20,613
IT Applications Developer/Sr	.50		49,296	
Accountant II		1.00		79,367
Total Salaries	1.60	3.20	121,635	228,385
Benefits.....			43,868	82,368
Operating.....			20,258	26,208
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			185,761	336,961