

PREPARED BY: Nikki Swope
DATE PREPARED: January 28, 2025
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LB 508

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.

LB 508 would change provisions relating to the ordering of the Nebraska National Guard into active combat in military service of the United States, unless the United States Congress has declared war or called forth the Nebraska National Guard to execute the laws of the union, suppress insurrection, or repel invasions pursuant to the United States Constitution. The bill further requires the Governor to review every federal order that has placed members of the Nebraska National Guard into active combat to ensure compliance with the legislation. The bill also requires the Governor shall submit a report to the Government, Military and Veterans Affairs Committee of the Legislature that summarizes the Governor's review of the federal orders and any action that the Governor took in response to that review, within thirty days after the review is completed.

No fiscal impact.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 508	AM:	AGENCY/POLT. SUB: Nebraska Military Department	
REVIEWED BY:	Jacob Leaver	DATE: 1/27/2025	PHONE: (402) 471-4173
COMMENTS: Concur with the Nebraska Military Department's estimate of no direct fiscal impact as a result of LB 508 but could impact federal funding.			

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

2025

LB⁽¹⁾ 508

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ 031 – Nebraska Military Department

Prepared by: ⁽³⁾ Richard Dahlman Date Prepared: ⁽⁴⁾ 01/27/2025 Phone: ⁽⁵⁾ 402-309-8106

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	No Fiscal Impact	No Fiscal Impact	No Fiscal Impact	No Fiscal Impact
CASH FUNDS	No Fiscal Impact	No Fiscal Impact	No Fiscal Impact	No Fiscal Impact
FEDERAL FUNDS	No Fiscal Impact	No Fiscal Impact	No Fiscal Impact	No Fiscal Impact
OTHER FUNDS	No Fiscal Impact	No Fiscal Impact	No Fiscal Impact	No Fiscal Impact
TOTAL FUNDS	No Fiscal Impact	No Fiscal Impact	No Fiscal Impact	No Fiscal Impact

Explanation of Estimate:

No Fiscal Impact would be initially realized if this bill passed.

However, the second order effects of this action could be a reallocation of Nebraska National Guard units to a state that does not require approval of the Governor to be federally deployed outside the country. The Army and Air Force fund all federal pay and allowances as well as pay for all military equipment in the Nebraska National Guard. This funding would follow the units and equipment if moved to another state regardless of it being reassessed and taken back into the active component or reallocated to another state's national guard. This could affect thousands of part time soldier and airmen jobs and perhaps hundreds of full-time jobs. The Military Department has a total federal appropriation in FY2025 of \$340 million annually which may be in jeopardy.

The authority to assign Army and Air Force units lies with the Department of the Defense, Department of the Army and Department of the Air Force. The Nebraska Military Department is extremely proud of its military units in Nebraska and would want to keep those units in the state.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	NUMBER OF POSITIONS		<u>2025-26</u> <u>EXPENDITURES</u>	<u>2026-27</u> <u>EXPENDITURES</u>
	<u>25-26</u>	<u>26-27</u>		
			No Fiscal Impact	No Fiscal Impact
			No Fiscal Impact	No Fiscal Impact
Benefits.....			No Fiscal Impact	No Fiscal Impact
Operating.....			No Fiscal	No Fiscal

	Impact	Impact
Travel.....	No Fiscal Impact	No Fiscal Impact
Capital outlay.....	No Fiscal Impact	No Fiscal Impact
Aid.....	No Fiscal Impact	No Fiscal Impact
Capital improvements.....	No Fiscal Impact	No Fiscal Impact
TOTAL.....	No Fiscal Impact	No Fiscal Impact