PREPARED BY: Kenneth Boggs
DATE PREPARED: February 11, 2026
EMAIL: kboggs@leg.ne.gov

LB 1032

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)

EXPENDITURES	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	SEE BELOW	0	0	0	SEE BELOW
FY2027-2028	SEE BELOW	0	0	0	SEE BELOW
FY2028-2029	SEE BELOW	0	0	0	SEE BELOW
REVENUE	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	0	0	0	0	0
FY2027-2028	0	0	0	0	0
FY2028-2029	0	0	0	0	0

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

LB 1032 establishes a process under Nebraska law to recognize and enforce tribal customary adoptions. It allows a state court to grant a tribe temporary concurrent jurisdiction to finalize a tribal customary adoption when the court finds it is an appropriate permanency plan, it is in the child's best interests, and the tribe consents in writing. It requires state courts to accept qualifying tribal customary adoption orders and enter an adoption decree consistent with those terms. The bill also assigns the Nebraska Department of Health and Human Services (DHHS) notice and information-sharing duties and authorizes DHHS and the Supreme Court to adopt rules and forms to implement the changes.

DHHS states LB1032 would require Nebraska Family Online Credit User System (NFOCUS) updates to add tribal customary adoption as a permanency goal and case closure option, with an estimated one-time cost of $2,600.

DHHS further states that additional updates to procedures, forms, training, and Title IV-B/IV-E plans would be completed with existing staff and are eligible for 75% federal matching funds. DHHS indicates workload impacts are indeterminable; however, Children and Family Services reports an average of approximately 27 guardianships annually that may have been tribal customary adoptions, with any additional staff time absorbed by existing resources. DHHS states the bill may reduce long-term state costs by shifting cases from largely state-funded guardianships to adoption assistance with higher Title IV-E federal participation.

The Supreme Court states that a minimal fiscal impact is anticipated for judicial education and form revisions, and no additional resources are required.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE					
LB: 1032	AM:		AGENCY/POLT. SUB: Supreme Court		
REVIEWED BY:	Ann Linneman	DATE:	2-10-2026	PHONE: (402) 471-4180	
COMMENTS: No basis to disagree with the Supreme Court’s assessment of fiscal impact.					

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE					
LB: 1032	AM:		AGENCY/POLT. SUB: Nebraska Department of Health & Human Services		
REVIEWED BY:	Ann Linneman	DATE:	2-10-2026	PHONE: (402) 471-4180	
COMMENTS: Concur with the Nebraska Department of Health and Human Services’ assessment of fiscal impact.					

LB (1) **1032** **FISCAL NOTE** **2026**

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

Prepared by: (3) John Meals Date Prepared 2-10-2026 Phone: (5) 471-6719

	FY 2026-2027		FY 2027-2028	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	$0	$0	$0	$0

Return by date specified 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

LB1032 provides for the recognition and enforcement of tribal customary adoptions under the Nebraska Indian Child Welfare Act. Implementation will require updates to the Nebraska Family Online Credit User System (NFOCUS) to allow tribal customary adoption to be selected as a permanency goal and a case closure option, at an estimated cost of $2,600. Additional updates to Standard Operating Procedures, forms, staff training, and Nebraska's federal Title IV-B and Title IV-E plans will also be required. These updates are estimated to require the following staff hours: Program Specialist (8 hours), Training Lead (6 hours), Administrator I (19 hours), Attorney III (2 hours), and Deputy Director (4.5 hours). All associated costs are eligible for 75% federal matching funds and will be absorbed by existing staff.

The exact fiscal impact is more difficult to estimate. However, based on data from the past 3 years, Children and Family Services (CFS) has averaged approximately 27 guardianships, which likely could have been tribal customary adoptions. Based on an estimated 8 hours of Program Specialist time per tribal customary adoption, this would equate to 216 hours annually or about 4 hours per week. These hours will be absorbed by existing staff.

Overall, LB1032 is expected to have a positive long-term fiscal impact. In 2025, approximately 95.1% of guardianship subsidies were state-funded, while about 93.7% of adoptions qualified for Title IV-E federal participation. By increasing the use of tribal customary adoption, more cases may shift from state-funded guardianships to federally supported adoption assistance, reducing long-term state costs.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:

POSITION TITLE	NUMBER OF POSITIONS 26-27	NUMBER OF POSITIONS 27-28	2026-2027 EXPENDITURES	2027-2028 EXPENDITURES

	2026-2027	2027-2028
Benefits		
Operating		
Travel		
Capital Outlay		
Aid		
Capital Improvements		
TOTAL	$0	$0

Please complete ALL (5) blanks in the first three lines. **2026**

LB(1) 1032 **FISCAL NOTE**

State Agency OR Political Subdivision Name: (2) 05 Supreme Court

Prepared by: (3) Eric Asboe **Date Prepared:** (4) 2/9/2026 **Phone:** (5) 402-326-9215

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2026-27		FY 2026-27	
	EXPENDITURES	**REVENUE**	**EXPENDITURES**	**REVENUE**
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Explanation of Estimate:

Minimal fiscal impact to provide judicial and court staff education. Form and rule changes may also be necessary. No additional resources required.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	**NUMBER OF POSITIONS 26-27**	**27-28**	**2026-27 EXPENDITURES**	**2027-28 EXPENDITURES**
Benefits………………………………..……				
Operating…………………………...…….				
Travel……………………………………….				
Capital outlay…………………...…………..				
Aid…………………………………………..				
Capital improvements……………………..				
TOTAL……………………………….....				