Nebraska's Natural Resources Districts
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Protecting Lives • Protecting Property • Protecting the Future

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TO: NARD Board of Directors, NRD Managers and Conservation Partners
FROM: Dean E. Edson, NARD Executive Director
RE: April 17th NARD Sine Die Update

The 109th Legislature, 2nd Session, ends Sine Die -- The Nebraska Legislature adjourned Sine Die April 17, 2026, on day 60 of a 60-day session. The next regular session is scheduled to begin January 6, 2027. Regular sessions generally last 90 legislative days in odd-numbered years and 60 legislative days in even-numbered years. This document contains a summary of the outcome of all 2025-26 Legislative Bills of interest to natural resources districts.

There were 547 bills introduced this session and 167 bills were passed, including some carry-over legislation. In addition, dozens of other bills were incorporated by amendment to the bills that passed. Most bills will become law 90 days after the session, unless they included the emergency clause. No bills will be carried forward to the 2027 session. All bills that did not receive final approval by the Legislature, or postponed by committee, were indefinitely postponed on the last day of the session.

There were 51 bills and eight constitutional amendments on the NARD Watch List. The breakdown of those are as follows: support and passed – 12; oppose and passed – 2; support and died – 9; opposed and died – 11; monitor and passed – 8; and monitor and died – 16. Thanks go out to the lobbying team of Zulkoski and Weber!

Budget Bills Stall, Then are Revived - The Governor signed the bills making mid-biennium adjustments to the budget on April 7, 2026, without any vetoes. Senators gave final approval to the budget bills on April 1, 2026, but the ride to get there was bumpy. Passage was delayed twice due to disagreement over a $3.5 million private school scholarship program and a childcare subsidy expansion. Both provisions were ultimately stripped to allow the bills to advance. The final package reduced appropriations and made transfers from several cash funds to close the projected $646 million budget deficit. On April 15, 2026, the Nebraska Department of Revenue released that March tax receipts show a net loss of 14.8% from projections, leaving the ending balance of $72 million in the red.

Thirteen Senators Leaving – Thirteen state senators finished their last session. Ten are departing due to term limits, two chose not to seek re-election and one appointed senator did not file.

The term limited senators include Robert Clements, Machaela Cavanaugh, Megan Hunt, Wendy DeBoer, John Arch, Ben Hansen, Mike Moser, Myron Dorn, Tom Brandt, and Dave Murman.

Those not seeking election include Christy Armendariz and Jane Raybould**.** Fred Meyer, appointed by Governor Pillen to fill a vacancy in District 41, did not file for election.

Twelve Current Senators Facing Re-election – Twelve more incumbent senators are up for election. These include Merv Riepe, Jana Hughes, Barry DeKay, Mike Jacobson, Teresa Ibach, Danielle Conrad, Brian Hardin, Rick Holdcroft, Brad von Gillern, John Fredrickson, George Dungan, Loren Lippincott,

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Section One – Bills Passed by the Legislature and Approved by Governor Pillen

Most bills passed and approved by the Governor become law three calendar months after the Legislature adjourns unless they have an emergency clause or a specified operative date. The emergency clause is a provision that allows a bill or a portion of a bill to take effect immediately after the Governor signs it or after the Legislature overrides a governor's veto.

LB 384 – Require a majority of the elected members of the governing bodies of participating political subdivisions to attend joint public hearings under the Property Tax Request Act. Storer.

Governor Pillen gave final approval to LB 384 on February 9, 2026. The bill will become law 90 days after the conclusion of the legislative session. The Legislature gave final approval to LB 384 on Feb. 4, 2026, on a 49-0 vote.

Previously, the legislature advanced LB 384 to Final Reading on Jan. 27, 2026. Senators advanced the measure to Select File Jan. 20, 2026, on a 46-0 vote, after adopting AM 703 on a 44-0 vote, and FA 783 on a 39-1 vote.

AM 703 replaces the words "a majority of the elected members" with "one voting member" to require that at least one voting member of the governing body shall attend such joint public hearing. Additionally, FA 783 adds that the County Assessor of the county hosting the hearing shall attend the hearing.

The Revenue Committee advanced LB 384 to General File on March 20, 2025, with Committee Amendment AM 703.

This proposal deals with cities, counties and school districts when they seek to increase its property tax request by more than the allowable growth percentage. This does not apply to NRDs.

The law requires that each such political subdivision shall designate one representative to attend the joint public hearing on behalf of the political subdivision. If a political subdivision includes area in more than one county, the political subdivision shall be deemed to be within the county in which the political subdivision's principal headquarters are located.

The original proposal would require at least a majority of the elected members of the governing body to attend the joint public hearing, which is eliminated with AM 703.

The Revenue Committee held the hearing for LB 384 on Feb. 13, 2025.

Senator Storer introduced LB 384, a bill requiring a majority of the board to attend joint public hearings.

In recent years, pink postcards have provided clear information on property tax increases. LB 384 strengthens the truth-in-taxation law by ensuring that a majority of the board members – those responsible for voting – are present at the joint public hearing. This measure enhances transparency in local government.

By mandating attendance, the bill holds elected officials accountable and modernizes the process, ensuring decision-makers are directly engaged in these critical discussions.

The intent is to have elected officials present to hear directly from their constituents. Currently, they are not required to attend, allowing substitutes—such as a county clerk—to represent them instead. This bill ensures that those making the decisions are the ones listening to public concerns.

Proponents

Doug Kagan testified in support on behalf of Nebraska Taxpayers for Freedom. The intent of the Truth and Taxation law was to require elected officials to be present at public hearings. However, very few elected officials attend these hearings to face the public. Instead, they send representatives who are not required to answer questions. By

requiring a majority of governing members to attend, each official can provide their reasoning for tax increases while being directly accountable to the public.

Alan Seybert of Omaha testified in support on behalf of Nebraska Taxpayers for Freedom. He noted if a political subdivision wants to exceed its taxing authority, a majority of elected officials should be required to attend the hearing. All elected officials should be present.

Nicole Fox testified in support on behalf of the Platte Institute. As a supporter of LB 644, which passed in 2021, I worked closely with Senator Hansen to create a direct postcard notification for the public hearing process. We identified the four highest subdivisions responsible for the largest tax increases. The purpose of joint hearings is to prevent Nebraskans from having to take time off work to attend multiple hearings ensuring only one consolidated hearing is held. We believe this proposal is reasonable and continues to strengthen the ability of Nebraskans to engage directly with local officials responsible for tax decisions.

Carter Thiele testified in support on behalf of Lincoln Independent Business Association. He noted LB 644 was created with the understanding that local property tax increases significantly impact Nebraskans. The law was designed to provide transparency, justification for increases, and an opportunity for community feedback. However, the law's intent—to ensure resident feedback matters—is undermined when voting board members do not attend hearings. This proposal aligns with the Truth and Taxation law by requiring decision-makers to be present and engaged. It ensures governing members are willing to listen to their constituents. It allows residents who take the time to attend budget hearings to interact directly with elected officials making the decisions.

Ryan McIntosh testified in support on behalf of the National Federation of Independent Business. He noted when the Truth and Taxation law first passed in 2021, it required a joint public hearing for property tax increases that exceed allowable limits. However, some political subdivisions are failing to meet their obligations under this law, reducing its effectiveness. This proposal strengthens the requirement, ensuring compliance and accountability.

Opponents

Douglas Kindig, Mayor of La Vista, testified in opposition on behalf of United Cities, emphasizing that they speak with one voice. He argued that requiring a majority of the city council to attend a joint public hearing is both unnecessary and redundant, as it mandates the presence of officials who cannot take action at the meeting. The current law, which requires only one representative from a political subdivision to attend, is sufficient. Kindig reiterated that the budget process already includes three public hearings, ensuring transparency.

While the city actively publishes its budget agenda across multiple outlets, it cannot force residents to read or engage with it. Transparency is already being upheld at the local level, making the additional requirement for the full city council's attendance redundant. His opposition was not based on concerns about transparency but rather on the fact that transparency is already being achieved through existing processes.

Senator Jacobson countered by highlighting that many residents avoid public hearings out of fear of being singled out. He suggested that joint hearings provide an opportunity for like-minded individuals to attend together, making participation more comfortable. Additionally, he argued that attending the hearing firsthand prevents misinterpretation or errors in relayed information, ensuring that people receive accurate details directly from officials.

Dave Welsch, a school board member for 33 years, testified in opposition. He took offense at the term "Truth in Taxation," arguing that it falsely implies school boards are not transparent. He asserted that school boards are always truthful with the public and are required to maintain a quorum at budget hearings. Welsch encouraged residents to engage with school board members and governing bodies throughout the year rather than relying on a single hearing. He also criticized the pink postcard notification system, stating that it arrives too late in the process for meaningful input. He advocated for an earlier notification timeline to allow for more effective public engagement.

Kristy Abraham testified in opposition on behalf of the League of Nebraska Municipalities. She outlined three main concerns. First, she emphasized that residents should attend budget hearings, where their input can still influence decisions. Budget hearings are scheduled at a time when citizen comments can be considered, unlike the pink postcard hearings, which occur too late for adjustments. Second, she pointed out the logistical challenges of requiring full attendance at joint hearings. For example, in Madison County, 72 representatives from five cities, five

school districts, and one community college would need to be present. Third, she questioned whether there would be consequences if a majority of a city council failed to attend a joint hearing, asking whether this would impact the city's budget approval process.

Beth Bazin Ferrell testified in opposition on behalf of Nebraska Association of County Officials. She reinforced previous concerns. She argued that it would be more effective for residents to attend budget hearings rather than joint hearings. She noted that most attendees of the pink postcard hearings come to dispute their property tax valuations rather than to discuss budgets or levies. She emphasized that public input should be incorporated earlier in the budget process and expressed support for LB 683, which aims to address these issues.

Colby Coash testified in opposition on behalf of the Nebraska Association of School Boards. He focused on process-related concerns. He stated that school board members participate in these hearings because they are required to, but they receive public feedback too late in the process to make meaningful adjustments. The current timeline does not allow for concerns to be addressed effectively. He also noted that budget hearings used to be included as agenda items in regular school board meetings but now require separate notices, adding to the administrative burden. His testimony echoed many of the concerns raised by previous speakers.

Courtney Wittstruck testified in opposition on behalf of the Nebraska Community College Association. She reiterated many of the previously stated concerns. She explained that four political subdivisions were selected for joint hearings because they received the highest property tax levies, but community colleges have since dropped from fourth to seventh on that list. She highlighted LB 495, a bill that would remove community colleges from this requirement and stated that further details would be provided when the bill is heard.

Wittstruck emphasized that political subdivisions have been collaborating with senators who support "Truth in Taxation" and suggested that budget hearing dates should be added to the notification process. She argued that residents should be directed to budget hearings instead of joint hearings so they can provide input earlier, allowing boards to adjust. Additionally, she pointed out that many citizens cannot attend budget hearings because they are typically held during the day, advocating for evening hearings to increase accessibility.

In closing, Senator Storer recognized today's discussion brought forward a range of thoughtful questions. However, one clear takeaway is that there are steps we can take to make the pink postcards more effective.

Much of the opposition came from those directly being asked to attend these meetings, and the broader concerns raised were less about the requirement itself and more about whether the pink postcard notification process is truly effective.

As long as the Truth and Transparency Act remains in place, we must remain mindful of our responsibility to taxpayers. If the officials voting on the budget are unable to answer questions about the budgeting process or justify their request for an increase, they are not fully prepared to cast that vote.

Requiring elected officials to attend one additional meeting should not be considered an undue burden—it is a reasonable expectation in the interest of accountability and transparency.

LB 525 - Adopt the Agricultural Data Privacy Act. Jacobson At the request of the Governor. Jacobson Priority.

Senators passed LB 525 on Final Reading by a 49-0 vote on April 10, 2026. The bill was signed into law by Governor Pillen on April 14, 2026.

Senators advanced LB 525 to Final Reading on April 1, 2026, by a voice vote.

The Legislature advanced LB 525 to Select File on March 24, 2026, by a 35-0-14 vote. While on General File, AM 2224, was adopted to the Committee Amendment by a 32-0-17 vote, which replaced the bill. The amendment is the result of countless meetings since last year to refine the bill. The amendment included provisions of LB 1185 discussed below.

In simple terms, the amendment prohibits the sale of ag data that is collected. It outlines that the agricultural producer is the owner of agricultural data that originates from the farm, land, device, or equipment of such agricultural producer.

It also outlines that a controller or processor shall not engage in the sale of agricultural data without the express written consent of the agricultural producer. Written consent for the sale of agricultural data shall be obtained through clear and conspicuous disclosure that is separate from the primary terms of service or data use agreement.

The bill now includes language that clarifies the Agricultural Data Privacy Act shall not be construed to:

- Limit or supersede any duty or obligation that is imposed by any federal law or any other law of the State of Nebraska;
- Relieve any person from any duty or obligation otherwise imposed by law;
- Impair, supersede, or otherwise affect the terms of any private contract that is in existence prior to the operative date of the law; or
- Limit or supersede any duty or obligation that is imposed by any natural resources district that is operating pursuant to Chapter 2, article 32, any state agency as defined in section 84-901, or any employee or agent of such natural resources district or state agency when acting in performance of a statutory duty.

The bill also includes a provision to protect agricultural data, unless prior written consent has been obtained from the owner of such agricultural data, from Public Records requests. This protects agencies and political subdivisions from being forced to turn over an individual's data under the Agricultural Data Privacy Act. Agencies and political subdivisions can release aggregate data, as has been practiced in the past, to provide an overall view of water quality or quantity conditions.

The adopted amendment also authorizes the Attorney General to initiate legal proceedings in the district court of Lancaster County against any data controller or processor found in violation of the Act. The Attorney General may seek injunctive relief to halt improper data practices or pursue a civil penalty of one thousand dollars for each individual violation.

Any funds recovered through these civil penalties are directed to the State Treasurer to be distributed according to the state's constitutional requirements for school funds. The enforcement authority granted to the Attorney General serves as the sole and exclusive remedy for any violations of the Act.

- ***LB 1185 - Adopt the Conversational Artificial Intelligence Safety Act. Bostar.***

The amendment, AM 2444, also included provision of LB 1185 from Senator Bostar which adopts the Conversational Artificial Intelligence Safety Act. The language establishes a regulatory framework for artificial intelligence (AI) services that simulate human conversation.

For minor account holders, operators must provide clear notices that the interaction is with a artificial intelligence and are prohibited from using unpredictable rewards or points to encourage increased engagement. These services must also implement safeguards to block sexually explicit content, romantic innuendos, or statements simulating emotional dependence, while offering privacy management tools to minors and their parents.

Furthermore, the act requires conspicuous disclosure for any person if a reasonable individual would be misled into believing they are interacting with a human rather than an artificial system. To ensure public safety, operators must adopt protocols to identify prompts regarding self-harm or suicide and refer users to appropriate crisis intervention services. The law also forbids AI services from intentionally claiming to provide professional mental or behavioral health care.

The Attorney General holds the exclusive power to enforce these rules through civil actions and penalties ranging from $1,000 to $500,000, though the act does not allow for private lawsuits. Original developers of AI models are granted liability protection for violations committed by third party systems using their technology, and the entire act becomes operative on July 1, 2027.

The Banking, Commerce and Insurance Committee reported LB 525 with Committee Amendment (AM 2221) to General File on Feb. 23, 2026, on an 8-0 committee vote.

Second Hearing

The committee held a hearing on AM 1710 to LB 525 on February 17, 2026. AM 1710 was a re-write of the bill after negotiations with the parties involved. Ultimately the committee adopted AM 2221, a white copy amendment rewrite of AM 1710 which replaces the entirety of LB 525.

Senator Jacobson reported that there are more amendments coming, as not everything got included in the amendment. There are continuing discussions about exempting data collected by state agencies and local NRDs. In addition, discussions continue on language to prohibit an individual's data held by state agencies and local NRDs from Freedom of Information Act (FOIA) requests.

In simple terms, the amendment prohibits the sale of ag data that is collected. It outlines that the agricultural producer is the owner of agricultural data that originates from the farm, land, device, or equipment of such agricultural producer.

It also outlines that a controller or processor shall not engage in the sale of agricultural data without the express written consent of the agricultural producer. Written consent for the sale of agricultural data shall be obtained through clear and conspicuous disclosure that is separate from the primary terms of service or data use agreement.

The Banking, Commerce and Insurance Committee held the hearing for AM 1710 to LB 525 on Tuesday, February 17, 2026.

In opening, Sen. Jacobson explained that LB 525 is being advanced through AM 1710, which has been incorporated into AM 2076 and will serve as the working bill. Over the past year, we solicited feedback from producers, technology providers, and other stakeholders, and that input helped shape the provisions now included in AM 2076.

The amendment focuses on two core principles:

1. **General prohibition on the sale of data.** Producers are concerned that their farm data could be sold to third parties without their consent. Farm data should not be treated as a commodity to be bought and sold.
2. **Reasonable data-security measures.** Providers must implement reasonable security practices to keep producer data private. A producer's competitive information should not be accessible to others.

Nebraska cannot afford to wait while producers' assets remain unprotected. This amendment is a starting point, and while it may need refinement, it establishes the basic protections that are needed now. Over the past year, we have worked to bring all parties to the table, and this represents a Nebraska-first solution.

We had strong cooperation during the interim study, which helped build consensus around this legislation. The goal was to include the fundamental protections in the bill, with the understanding that additional improvements may come later. AM 2076 puts the necessary guardrails in place.

Proponents

Cicely Batie, agricultural policy advisor for the Governor's Office, thanked Senator Jacobson for his continued support of this bill. She noted that LB 252 would be the only statute they are aware of that clearly establishes producers as the sole owners of their data. As technology has advanced farming, she outlined the types of data now being collected by producers and emphasized that this bill ensures the knowledge and experience producers have gained over the years is protected. The bill affirms that producers own their data and puts them in the driver's seat when it comes to how that data is used. She described it as a first-in-the-nation effort to establish agricultural data privacy and a priority for Governor Pillen.

Batie explained that if the bill does not pass, it leaves a gray area for producers. There is currently nothing in statute that clearly grants producers ownership of their data, even though it is their information. Regarding the discussion of ownership versus control, she acknowledged that the two concepts are closely related and noted that this is one of the areas that will likely be addressed with future refinements.

Michael Dibbern, President of the Nebraska Corn Growers Association, testified on behalf of his organization and a number of other agricultural associations. He explained that through the interim study, five core principles were identified, which he outlined for the committee.

Dibbern noted that producers have come to rely on technology to support their operations, and the data generated reflects their personal investments and management decisions. Farmers own that data. While producers are grateful for the technology that allows them to collect and use this information, they also believe it must be protected. Dibbern added that the National Corn Growers Association is a member of Ag Data Transparent and supports the basic principle that farmers should own their data.

Bruce Rieker, testifying on behalf of the Nebraska Farm Bureau and other agricultural leaders, stated that at the center of this issue is data privacy. He emphasized that producer data should be safeguarded and not used without the producer's knowledge or consent. He compared the bill to HIPAA, noting that similar protections are needed to ensure the privacy of producers' data. He described the issue as both a privacy concern and a fiduciary responsibility for those handling the data.

Rieker added that this is an important issue, and it will likely take several years to build upon the foundation established by the bill Sen. Jacobson has introduced.

John Hansen, testifying on behalf of the Nebraska Farmers Union, stated that the organization has been part of the stakeholder-driven process surrounding LB 525. He noted there is still a lot of ground to cover, with questions to ask and questions to answer, but described the effort as groundbreaking and one that needs to move forward.

Hansen emphasized that the longer it takes to begin the process, the more it delays progress. The Farmers Union wants to remain actively involved as the bill continues to develop. Hansen added that their interests are similar to other stakeholders, particularly in supporting the need for fiduciary responsibility when handling producer data.

Rocky Weber, President of the Nebraska Cooperative Council, testified that farmer-owned companies occupy a unique position in this space. He highlighted two main points.

First, cooperatives support the protection of farmers' agricultural data. Because farmers own these companies, the cooperatives share a strong interest in ensuring their data is protected.

Second, he expressed concern about any undue burden on the data that is necessary to market and sell grain.

Weber noted that while the legislation is not perfect, it reflects a collaborative effort among stakeholders. The Nebraska Cooperative Council is supportive of AM 2076, but not the underlying bill.

Dean Edson, presented testimony with a recommended amendment to clarify the bill.

The NRD boards need information from producers about nitrogen applications, yield goals to make informed decisions on local regulations to address water quality problems where they exist. Our data collection programs exceed 99% from mandatory reporting on metering and fertilizer applications in areas.

We do have producers that will not provide the information. In those cases, we must go to an administrative hearing to force compliance with local NRD regulations. As an example, the Lower Niobrara NRD just went through such a hearing, and it cost around $8,000 to force compliance. Each district has similar challenges, and we don't want this bill to give producers another avenue to try to circumvent the regulations.

The NRDs do not sell the data but provide it back to the producers in aggregate reports. Producers are starting to adopt better practices, and we have had some success. As an example, the number of producers that exceed the recommended fertilizer rates in the Lower Niobrara NRD has dropped from 91% in 2015 to about 62% in 2023. We are gaining ground but still have a ways to go.

The exceptions are provided in Section 10, but it refers to state law.

The state law on management plans for water quality specifies that NRDs must develop a plan to be approved by The Nebraska Department of Water, Environment and Energy. It is up to the NRDs to develop that plan, as the law does not spell that out.

Edson suggested adding the following in Section 10 of AM 1710 to make it clear that NRD required information for water quality and/or quantity information is not included under the act.

- **(4) Limit or supersede any data collection, duty or obligation that is imposed by any natural resources districts, or their employees and agents, when acting in performance of their statutory duties.**

It is also my understanding that language to provide a FOIA exemption is coming. We would support such so that individual producer information is not subject to such. We will continue to supply aggregate data, similar to what we provide back to the producers.

We can't make sound policy decisions without accurate, timely and dependable data. We want to continue down this path to develop sound, workable and accurate policy and encourage you to amend the bill to allow us to do so.

Neutral

Scott Merritt, testifying in a neutral capacity on behalf of the Nebraska Agribusiness Association, said the current landscape for agricultural data is somewhat of a "wild west," and the association believes there should be a clear framework in place. However, as discussions have progressed, he noted that stakeholders have encountered more questions than answers. While the bill and its amendments begin to establish a framework, there are still gray areas that prevent the association from supporting the measure at this time.

Merritt said the group is seeking clarification on a few key issues, including:

1. What qualifies as "derived data," and
2. How the legislation will account for where agricultural technology may be in the next five to ten years.

Merritt concluded that the association supports the effort to build a framework, recognizing that it will need further refinement and collaboration going forward.

Phil Erdman, testifying on behalf of the Nebraska–Iowa dealership associations, said their position is not due to inaction, but rather the result of extensive efforts to find consensus among stakeholders. He noted that the differences are in approach, not in overall goals.

Erdman explained that the associations have collaborated with numerous parties to better understand the process and identify where true gaps exist. He also pointed out that major manufacturers already have privacy policies in place that prohibit the sale of data. He added that the dealership associations have contributed extensively to the discussions and look forward to continuing to work with stakeholders on this issue.

April Price, testifying on behalf of John Deere, said the company appreciates the committee's focus on agriculture and shares the goals of trust, transparency, and security. However, she expressed concern that the bill's reliance on the concept of data ownership could create unintended consequences for both producers and the broader agricultural economy.

Price stated that ownership should not be the foundation of the bill. Instead, data should be addressed through the lens of control rather than ownership. She noted that while the bill aims to protect the economic value of data, those goals can be achieved without establishing statutory ownership. John Deere requested that the ownership provisions be removed and that the bill rely instead on data privacy protection. She also noted that once data is aggregated, individual ownership or control is no longer practical.

Shirley Neimeyer testified that she has read the bill several times but is still unsure she fully understands its complexity. She said the issue is important, but she is puzzled by the concept of data ownership and how it relates to her environmental concerns. She noted that much of the discussion seems to focus on machinery data, but there is also water-quality data, including well tests and nitrate tests. Her concern is whether, if someone owns the data, they could limit or refuse to provide that information to NRDs or the state.

Neimeyer questioned whether existing environmental regulations would still require that data to be shared and said she would not want a situation where important information is withheld, especially if nitrate levels are high.

No comments were submitted online because the measure was not reopened for written testimony.

In closing, Sen. Jacobson addressed a few key points.

First, he discussed the difference between raw data and derived data. Raw data would include the information collected directly in the field by equipment sensors, such as yield and moisture readings from a combine. Derived data, by contrast, would be information that has been aggregated or processed, such as combining yield monitor data from multiple machines across the state to create broader datasets. He emphasized that the bill is focused on protecting farmers' proprietary, raw data, not aggregated or derived data.

Second, he addressed the issue of ownership versus control. He noted that the Ag Data Transparent initiative—of which John Deere was an early participant—uses the concept of ownership repeatedly. While he is not opposed to using the concept of control instead of ownership, the committee was not supportive of the original bill, which led to the interim study. During that process, stakeholders agreed the original bill needed changes. The group then worked together to identify what was effective and what was not.

He explained that the operating agreements between producers and manufacturers already state that the producer owns the data, and that concept was used as the foundation for the bill. Rather than reinventing the framework, the bill builds on concepts that were already agreed upon in those agreements.

Sen. Jacobson also noted that the first time they heard from John Deere during the process was at the hearing, and the sponsors would have been willing to address their concerns earlier had they been communicated.

Finally, he stated that an amendment is planned to address FOIA concerns raised by NRDs and that the language can be adjusted from ownership to control if needed. He concluded by saying this will be his personal priority bill.

The following is the summary of the original bill and the hearing notes from 2025.

The Banking Committee accepted testimony on the original provisions of LB 525 on February 3, 2025. The bill proposes to adopt the Agricultural Data Privacy Act for the purposes of protecting the privacy of agricultural producers in Nebraska; and protecting the agriculture industry in Nebraska.

In basic terms, the bill requires the individual (person) to sign off on releasing any data to anyone. The person could also rescind the release. There is no exception for NRD data requests for water management purposes.

The bill establishes the following definitions for purposes of the Act:

> (1) Acquisitions data means data related to the acquisition of capital, land, equipment, inputs, livestock or any other acquisition of agricultural property;
>
> (2) Agricultural data means acquisitions data, care data, crop production data, cultivation data, field usage data, financial standings data, GPS data, historical yield data, irrigation data, maintenance data, marketing strategy and decisions data, purchase sell information, usage data, and yield data;
>
> (3) Care data means data related to the acquisition or selling of livestock and metrics associated with such a transaction;
>
> (4) Controller means an individual or other person that, alone or jointly with others, determines the purpose and means of processing agricultural data;
>
> (5) Crop production data means data related to the practice of protecting the crop yields from different agents including pests, weeds, plant diseases, and other organisms that may cause damage to agricultural crops;
>
> (6) Cultivation data means data related to the practice of planting, harvesting, cultivating, or other related practices and the data such as dates operation occurred, metrics regarding method of the practice, and other personally identifiable related practices;
>
> (7) Field usage data means data related to commodities planted, land care, irrigation, and land management practices;
>
> (8) Financial standings data means data related to financial standings of agricultural production operations including assets and liabilities, and other related identifiable information;

(9) GPS data means data related to Global Positioning Systems (GPS) in farm machinery, decision making software, and all other related systems utilizing GPS in agricultural practices;

(10) Historical yield data means data connected to individual parcels of land, including yield metrics related to the success of crops cultivated in individual parcels;

(11) Irrigation data means data related to the method, timing, and usage of irrigation resources and equipment;

(12) Maintenance data means data related to maintenance actions of equipment, including services, service intervals, and other related personally identifiable data;

(13) Marketing strategy and decisions data means data related to transactions of commodities, livestock, and land, including marketing plans, marketing actions, and related metrics;

(14) Process or processing means an operation or set of operations performed, whether by manual or automated means, on agricultural data or on sets of agricultural data, such as the collection, use, storage, disclosure, analysis, deletion, or modification of agricultural data;

(15) Processor means a person that processes agricultural data on behalf of a controller;

(16) Purchase sell information means data related to the acquisition or selling of livestock and metrics associated with the transaction;

(17) Usage data means data concerning the operation of machinery related to common agricultural practices; and

(18) Yield data means data connected to the harvest of commodities, including yield and production metrics, as well as date of harvest and other personally identifiable data.

A person may provide written consent to any potential controller of such person's agricultural data that authorizes:

(a) The potential controller to process such person's agricultural data; or

(b) A third party to process such person's agricultural data on behalf of the potential controller.

A person that has provided written consent may rescind such consent by providing a written notice of such rescission to the controller of the agricultural data.

A controller shall not:

(a) Require any person to submit to any processing of such person's agricultural data without the written consent of such person;

(b) Provide any difference in any service, good, benefit, or reward provided to any person who does not consent to the collection or possession of agricultural data; or

(c) Sell, provide, or use the agricultural data of any person without such person's authorization.

A controller shall delete the agricultural data relating to a person that has provided a written notice rescinding the authorization pursuant to section of this act within thirty days after receiving such written notice. A processor shall not process, sell to any person, provide to any person, or use the agricultural data of a person without such person providing written consent that authorizes such processing to the controller of the agricultural data.

The Agricultural Data Privacy Act does not apply to the processing of agricultural data by a person if such person is the owner of the agricultural data.

Any provision of a contract or agreement that waives or limits in any way any requirement for a controller or processor as described in this act is contrary to public policy and is void and unenforceable.

The Attorney General has exclusive authority to enforce the Agricultural Data Privacy Act and may bring an action against any controller or processor to:

(1) Seek injunctive relief; or

(2) Recover a civil penalty in the amount of [XXXX] dollars for each separate violation of the Agricultural Data Privacy Act. All such civil penalties shall be remitted to the State Treasurer for distribution in accordance with Article VII, section 5, of the Constitution of Nebraska.

The Attorney General shall post on the Attorney General's website:

(1) Information relating to:

(a) The responsibilities of a controller under the Agricultural Data Privacy Act;

(b) The responsibilities of a processor under the Agricultural Data Privacy Act; and

(c) A consumer's rights under the Agricultural Data Privacy Act; and

(2) An online mechanism through which a person may submit a complaint under the Agricultural Data Privacy Act to the Attorney General.

The Agricultural Data Privacy Act shall not be construed as providing a basis for, or being subject to, a private right of action for a violation of the Agricultural Data Privacy Act or any other law.

On February 3, 2025, the Banking, Commerce and Insurance Committee accepted testimony on the bill.

In his opening, Sen. Jacobson reported the bill is going to be held over and an interim study will be done on the issue. He mentioned the bill needs to be clarified and has talked to various interested parties about the bill who will be testifying today.

Proponents

Director of Agriculture, Sherry Vinton, testified in support of the bill on behalf of Governor Pillen.

John Hansen, Nebraska Farmers Union, testified in support of the bill noting farmers should keep their own data.

Kevin Kenney, a Nebraska Farmer, testified in support noting he wants to keep his own data and doesn't think the companies should sell it. The trade secrets of farms are at risk, and he expressed concern that robots will replace farmers.

Opponents

There was no opposition testimony.

Neutral

Bruce Reiker testified in a neutral capacity on behalf of the Ag Leaders group, which is made up of eleven ag groups and commodity organizations. He noted the merits of the bill, but also recognized it needs work to clarify the overall goal. He pledged to work with the committee over the interim on the bill.

Phil Erdman, Iowa and Nebraska Equipment Dealers Association, testified in a neutral capacity. He offered their availability during ongoing discussions on the topic. Currently data is managed under the 2014 Ag Data Agreement, which provides customers with safeguards.

Rocky Weber, Nebraska Cooperative Council, testified in a neutral capacity. They appreciate the bill and the good conversation it is creating between commercial and farmer groups. He noted they want to be part of the conversation, and policy needs to recognize that data is generated from a lot of different places.

Dean Edson presented testimony on behalf of NARD. He noted that he has had conversations with Senator Jacobson and the Governor's staff about an amendment to clarify that NRD data and information for water quality & quantity management purposes is not subject to LB 525. If it is not exempt, our NRD boards will not have enough data to make sound decisions on local water management.

We understand the goal of the bill and do not want to be in the way to accomplish such goals. However, we want to work with the committee and parties involved to make sure NRDs have appropriate data to make management decisions on water quality and quantity.

Our data collection programs exceeds 99% from mandatory reporting on metering and fertilizer applications in areas. If this becomes voluntary, with a producer's agreement to supply such data, our collection rates will diminish greatly. We want to make sure the management decisions that are made by the local NRDs is based upon as much relevant information as possible.

The testimony included a couple of aggregate data PowerPoint slides from data collected in the Lower Niobrara NRD. He noted this aggregated data is provided back to producers for educational and information purposes. The data points are an individual's but they are not identified. The producers know where they are on the charts and it helps them make some better management decisions.

This data in aggregated form is reported back to producers, the number of producers that exceed the recommended fertilizer rates has dropped from 91% in 2015 to about 62% in 2023. We are gaining ground but still have a way to go.

We also suggest including some guard rails that we are not going to sell the data, and individual data would not be subject to a public records request. We are willing to share aggregate data but want to make it clear that we will not release any individual data.

Edson offered the following suggested language to consider that will fit the goals of the bill:

In Section 3 add:

- **Controller shall not include a natural resources district, or its employees and agents, when acting in performance of their statutory duties.**

- **Processor shall not include natural resources districts, or its employees and agents, when acting in performance of their statutory duties.**

In Section 6 add:

- **No political subdivision shall sell any of the data identified in this act.**

Amend Neb. Rev. Stat. § 84-712.05

- **The following records, unless publicly disclosed in an open court, open administrative proceeding, or open meeting or disclosed by a public entity pursuant to its duties, may be withheld from the public by the lawful custodian of the records: All data identified in the Agricultural Data Privacy Act, unless prior written consent has been obtained from the person from whom such data was obtained.**

We can't make sound policy decisions without accurate, timely and dependable data. We want to continue down this path to develop sound, workable and accurate policy and encourage the committee to amend the bill to allow us to do so.

Letters were submitted for the record by three proponents, no opponents, and two neutral.

Sen. Jacobson closed by thanking all testifiers and reiterated this is a large and important issue with a lot of moving parts and he wants to avoid unintended consequences.

LB 596 - Change requirements for legal publications and notices required by law. Sanders. Government Committee Priority.

Senators gave final approval to LB 596 on April 10, 2026, by a 46-3 vote. The bill was signed into law by Governor Pillen on April 14, 2026.

The Legislature advanced LB 596 to Final Reading on March 31, 2026, by a voice vote. They advanced the bill to Select File on March 5, 2026, by a 40-1 vote after adopting the committee amendment, AM 2282, on a 39-0 vote.

The Government Committee reported the bill to General File on March 3, 2026, following a 7-0-1 vote. The bill included a committee amendment (AM 2282) which makes substantive changes to the provisions of LB 596 and adds provisions from five other bills: LB 896, LB 898, LB 919, LB 923, and LB 1145. LB 898 and LB 1145 were measures followed by NARD.

- ***LB 596 - Change requirements for legal publications and notices required by law. Sanders.***

  The bill defines "digital newspaper" and "E-edition," and further provides that E-editions of legal newspapers shall be considered legal newspapers under certain circumstances. These sections also provide for the use of digital newspapers for purposes of giving public notice under the open meetings act in localities where no print edition or e-edition of a legal newspaper are published.

  Digital Newspapers is defined as: (i)Employs staff in the county from which the digital newspaper is published online; (ii) Has at least three hundred paid subscribers if located in a city of the metropolitan class or city of the primary class; (iii) Has at least two hundred paid subscribers if located in a city of the first class, city of the second class, or village; (iv) Publishes exclusively online; (v) Has updated its news at least once each week for at least one year prior to the publication of a notice; and (vi) Reports on events and governmental activities of local interest;

  E-Edition is defined as a digital facsimile of a newspaper's print edition that is accessible from such newspaper's website and is substantially the same in both format and content as the print edition of such newspaper.

- ***LB 896 - Change fees related to marriage licenses and records. Lonowski.***

  The bill changes fees relating to marriage licenses and marriage records.

- ***LB 898 - Change which political subdivisions may use virtual conferencing for meetings under the Open Meetings Act and change related requirements. Lonowski.***

  The original bill proposed to expand the authority to conduct meetings under the Open Meetings Act by means of virtual conferencing to all public bodies. Current law only provides the authority to specific public bodies. NRDs are currently allowed to use virtual conferencing.

  The amended version included in LB 596 expands the list to include: the Semiquincentennial Commission; the board of trustees of the Nebraska State Historical Society; or any local foster care review board.

- ***LB 919 - Allow for the use of durable accessible mediums for public records. Sanders.***

  The bill harmonizes the use of the term "accessible durable medium."

- ***LB 923 - Change and eliminate provisions relating to county records. Clouse.***

  The bill changes provisions relating to county record keeping.

- ***LB 1145 - Change provisions relating to notice requirements for a meeting of a public body under the Open Meetings Act. Lonowski.***
  Original provisions of LB 1145 were amended and the bill now requires governing bodies of all political subdivisions to provide notice at least four times a year of the regular meeting schedule, location, and the method designated by the public body to provide reasonable advance notice of each meeting, such notice shall be in a legal newspaper of general circulation within the jurisdiction.

  Exempts a city of the second class or village, and a rural or suburban fire protection district, or any public body that only meets intermittently and is not required to hold regular meetings. The bill outlines that failure to comply with such notice requirement shall not void any action of a public body. Strikes existing notice and publication requirements.

The Government Committee held the hearing on LB 596 on March 13, 2025.

Opening on the bill, Sen. Sanders noted this is an update to the outdated statute since most Nebraskans no longer access their news via a paper newspaper. Rather than being limited to print, legal notices can be published online. It does not take away the option to print in the newspaper but opens up more avenues for publishing with a goal of reaching a broader, more diverse audience

Proponents

Colby Coash testified in support on behalf of the Nebraska Association of School Boards. He noted that updating and modernizing the provisions that school and political subdivisions are subject to is important to keep the public informed. Many newspapers are no longer there, and some areas are having to access newspapers that are several counties away. This concept can assist those small districts that are in those media deserts. We need to find a path forward to discuss how these notices can be updated to meet the current demand for how people are consuming news. He noted that schools want the public to be engaged in the budget process and discussion, so there needs to be alternative ways to ensure the public is aware of these meetings.

Beth Bazyn Ferrell, Nebraska Association of Conty Officials, testified in support. She noted county officials get nervous when they a newspaper closes or even if there is rumor that one is closing. Counties have many legal notices that must be published, so if the local paper is no longer available it is difficult for the county to decide where to go with that information.

Opponents

Dennis DeRossett, Nebraska Press Association, testified in opposition. He noted they were opposed to the bill as it is currently worded but wanted to the get the bill to a place where all can agree. He noted that 1/3 of Nebraska newspapers have seen increases in readership and that newspapers still reach 50% of Nebraskans. He suggested that interested parties take the next 6-8 months to come up with an agreed upon bill for the next session.

He noted that out of 138 Nebraska newspapers, only 22 newspapers don't have a website and those are some of the most rural areas. DeRossett noted that he understands we are moving toward a digital era, but it should be clarified what digital platforms qualify to publish legal notices. He noted that legal notices are not an advertisement, they are legal affidavits that are notarized by newspapers.

In closing, Sen. Sanders noted this wasn't the first time this bill has been brought, and it was previously suggested to have an amendment, but one was never brought. She said waiting another 6-8 months just delays this process until next year.

Letters submitted for the record included 10 proponents and two opponents.

LB 759 - Change provisions relating to water wells, the Department of Water, Energy, and Environment, the Perkins County Canal Project Act, and the Nebraska Litter Reduction and Recycling Fund. Brandt. Natural Resources Committee Priority.

Senators gave final approval to LB 759 by a 36-12-1 vote. The bill was signed into law by Governor Pillen on April 7, 2026.

The Legislature advanced LB 759 to Final Reading on March 5, 2026, on a voice vote after adoption of FA 1025 on a 29-0 vote. FA 1025 made technical corrections to the bill.

Previously, the Legislature advanced LB 759 to Select File on Feb. 19, 2026, on a 26-5 vote after adopting the committee amendment (AM 1939) on a 26-1 vote, and AM 2182 on a 26-2 vote.

The Natural Resources Committee advanced LB 759 to General File on Feb. 11, 2026, on a 7-1 vote after adopting a committee amendment (AM 1939). The measure was declared as the committee's 2026 priority measure. AM 1939 incorporates provisions of three other bills, including LB 760, LB 761, and LB 1076. AM 2182 made technical corrections to the bill.

- ***LB 759 - Change provisions relating to water wells, the Department of Water, Energy, and Environment, the Perkins County Canal Project Act, and the Nebraska Litter Reduction and Recycling Fund.***

  First, the bill corrects several department title references from legacy DNR and DEE to the Department of Water, Energy, and Environment.

  The bill strikes the requirement that the council annually determine percentage amounts for allocation and distribution of funds from the Nebraska Litter Reduction and Recycling fund.

  The bill adds the Chief Water Officer, or his or her designated representative, as a new seat to the Water Well Standards and Contractors' Licensing Board.

  Additionally, the bill clarifies Department authorities under the Perkins County Project Act. These include the authority to enter upon any property to make surveys, examinations, investigations, studies, geological soil borings, and tests and to acquire other necessary and relevant data when in contemplation of:

  (i) establishing the location of the Perkins County Canal Project,
  (ii) acquiring land, property, permits, and construction materials for the Perkins County Canal Project, or
  (iii) performing other operations or activities incident to the Perkins County Canal Project and pursuant to the Perkins County Canal Project Act.

  Entry upon any property shall not be considered to be a legal trespass and no damages shall be recoverable on that account alone. In the case of any actual or demonstrable damage to the property, the department shall pay the owner of the property the amount of the damages.

- ***LB 760 - Change and eliminate provisions of the Environmental Safety Act. Brandt.***

  The bill shifts rulemaking authority, inspections, permit requests, violations, enforcement measures, and penalties for swimming pools, mobile home parks, and recreation camps under the Environmental Safety Act from DWEE to the local government entity with jurisdiction.

Local government is defined as a county, city, or village or a local public health department. In setting health and safety standards governing these areas, the local government must meet or exceed the minimum sanitary and safety requirements adopted and made available to it by DWEE. Local governments are authorized to set, collect, and enforce fees to cover their costs.

- ***LB 761 - Create a fund and change provisions relating to water well fees, use of funds, and powers and duties of the Department of Water, Energy, and Environment. Brandt.***

  The bill as amended with the committee amendment proposes increasing the registration fee for all water wells from $40 to $200. It specifies that collected fees shall be used to cover both direct and indirect costs associated with administering the well registration program.

  The bill as amended also proposes changes to National Pollutant Discharge Elimination System (NPDES) permit fees. For large, concentrated animal feeding operations (CAFOs), the bill would require the Department to ensure that permit fees recover at least 30 percent of program costs from the previous fiscal year, an increase from the current 20 percent requirement. The original bill, prior to the committee amendment, required 40 percent of program costs to be recovered.

  In addition, the bill creates the Water Quality and Quantity Cash Fund. The fund would be used to pay reasonable direct and indirect costs to develop and administer programs regulating discharges under Section 402 of the federal Clean Water Act.

  Beginning July 1, 2027, each application for an NPDES permit or a pretreatment permit must be accompanied by an application fee set by the Department. The fee may not exceed the amount necessary to reimburse the Department for the cost of administering the application. Applications for animal feeding operations or construction and operating permits for livestock waste control facilities shall be exempt from this application fee.

  The bill also proposes that beginning July 1, 2027, the Department shall charge an annual fee to each holder of an NPDES or pretreatment permit. The annual fee may not exceed the actual cost of services provided. Permits for animal feeding operations or construction and operating permits for livestock waste control facilities shall be exempt from the annual fee.

- ***LB 1076 - Change penalty provisions relating to the Nebraska Geologic Storage of Carbon Dioxide Act. Brandt.***

  The bill codifies the Oil and Gas Conservation Commission's authority to take administrative action and impose penalty sanctions when violations occur or are threatened.

The Natural Resources Committee held the hearing for LB 759 on Wednesday, January 21, 2026.

Sen. Brandt opened the hearing noting the bill addresses technical cleanups following the agency merger. Additionally, the bill authorizes access for investigating and examining locations for purposes of Perkins County Canal project. Lastly, the bill updates procedures for allocating and distributing funds of Nebraska Litter Reduction and Recycling fund.

During questioning, Sen. Raybould requested the addition of a requirement for proper notification. Sen. Brandt noted there are other examples of where notification can create issues.

Proponents

Jesse Bradley, Director of DWEE, testified in support. Bradley noted this is a cleanup bill following the agency merger, with a majority of changes addressing technical corrections consistent with the intent of the merger. Additionally, the bill grants limited authority for actions necessary for narrow purposes of the Perkins County Canal project design. The authority is modeled directly off authorities utilized by the Department of Transportation. This measure will reduce costs for the state by preventing costly access agreements. The bill provides protections for

landowners by authorizing reimbursements of costs for damages. Bradley also discussed the bill reinstates a member to the well licensing board that was inadvertently removed. The bill has no fiscal impact.

During questioning, Sen. Conrad asked why existing provisions for land surveying are not sufficient.

Bradley responded that given the linear nature of the project and certain unique geotechnical and soil boring work that is required, they want to make sure the authority is clear. Currently, these efforts are done through access agreements and while many have worked just fine, there can be challenges regarding fees for access.

Sen. Conrad asked about the scope of support or opposition – Bradley said they have had broad support, and only a couple of challenges, and those were likely driven by opportunistic pursuit of fees for access.

Sen. Conrad and Raybould raised questions about the transfer of funds from the project proposed in the Governor's budget – Bradley reiterated that the Department continues to be committed to moving the project forward and progress continues moving the project forward on schedule. At a subsequent hearing before the committee, Bradley reiterated that the proposed transfer is consistent with prior language of only transferring interest from the fund and is not an additional transfer.

No opponents and no neutral testimony were provided.

Letters for the record were submitted by two proponents and one opponent.

LB 794 – Change powers and duties of the Department of Agriculture and eliminate provisions relating to the Healthy Soils Task Force and obsolete fund transfers. DeKay.

Governor Pillen signed LB 794, including provisions of LB 827, on Feb. 24, 2026. The measure will become law 90 days following the adjournment of the Legislature.

Previously, The Legislature gave final approval to LB 794 on February 19, 2026, on a 48-0-1 vote.

The Legislature advanced LB 794 to Final Reading on Feb. 9, 2026, on a voice vote after adopting AM 2019 on a 35-0 vote. AM 2019 incorporated provisions of LB 827, a summary of LB 827 follows the hearing notes for LB 794.

The Legislature advanced LB 794 to Select File on January 27, 2026, on a 43-0 vote. The measure was voted out of committee on January 21, on an 8-0 vote.

The bill proposes to change the general powers granted to the Department of Agriculture from shall to may.

The bill repeals all sections of statute that were created by LB 243 in 2019 authorizing the Healthy Soils Task Force, and proposes that prior to January 1, 2027, the Department of Agriculture shall electronically submit, to the Clerk of the Legislature a copy of the comprehensive action plan, a copy of agendas, meeting minutes and any other documents, findings and recommendations reported by the Task Force as they existed on January 1, 2021.

The bill strikes language authorizing use of the Fertilizers and Soil Conditioners Administrative Fund to defray costs and provide budgetary support of the Healthy Soils Task Force.

The Agriculture Committee held the hearing for LB 794 on Tuesday, January 20, 2026.

Sen. DeKay opened the hearing outlining that the bill is a result of the termination of the Healthy Soils Task Force work. Sen. DeKay reviewed the purpose for the task force and noted their work ultimately concluded in December of 2020. It was highlighted that the bill includes a one-time reporting requirement to electronically submit final reports to the clerk of legislature – documents are already available, but this measure ensures work is still accessible by public at a later date.

There was no testimony at the hearing. Letters were submitted for the record by one proponent and one neutral.

LB 803e - Change provisions relating to the listing of taxable tangible personal property. Revenue Committee Priority Bill.

Senators passed LB 803 on Final Reading by a 48-1 vote on April 10, 2026. The bill was signed into law by Governor Pillen on April 16, 2026.

On Select File, senators adopted AM 3062, offered by Senator Bostar by a 30-3-16 vote. The amendment clarifies existing language regarding tax credits for nonprofit organizations. After adopting the amendment on April 7, 2026, senators advanced the bill to Final Reading by voice vote.

The Nebraska Legislature advanced LB 803 to Select File on March 30, 2026, by a 42-0-7 vote after adopting the Committee Amendment, AM 2651, on a 37-0-12 vote.

Revenue Committee Priority bill, LB 803, which was advanced out of committee on March 17, 2026, with Committee Amendment – AM 2651. The amendment includes provisions of four revenue bills, including an amended version of LB 575. The Revenue Committee reported LB 575 to General File on March 17, 2026, with committee amendment, AM 1977, following a 7-0 vote and incorporated the amended version into LB 803.

The original LB 575 proposed that if the total taxable valuation of property in a political subdivision exceeds the total taxable valuation from the prior year, then such political subdivision's levy shall be no more than the levy necessary to raise the exact same amount of property taxes as was raised by such political subdivision in the prior year.

AM 1977 is a white copy amendment which strikes the original sections of LB 575 and replaces them with the following new provisions.

The bill eliminates the Property Tax Request Act, which is commonly referred to as the "pink postcard" that was mailed to taxpayers if the city, county or school approved a budget that increased property taxes. These hearings were usually after the action had been taken on the local budget.

It is being replaced by a new proposal to require counties, cities, and school districts to levy a tax on property within a county to hold a joint public hearing on the topic of budget process and preliminary information on budget impacts. As is with the "pink postcard" the changes only impact school, cities and counties, not natural resources districts.

When a property owner has a valuation change, the notice will display a column for the prior tax year and the current tax year. Under the column for the prior tax year, the notice shall display the valuation of the parcel in the prior tax year, the amount each city, county, and school district levied against such parcel in the prior tax year, and the total amount of taxes levied against such parcel in the prior tax year by the city, county, and school district.

Under the column for the current tax year, the notice shall display the valuation of the parcel in the current tax year and the total amount of taxes that would be levied against such parcel by each city, county, and school district using the previous year's rate of levy.

The notice shall include the date of convening of the county board of equalization and the dates for filing a protest. The notice shall also state the following:

The time and place of the budget hearings will be reported to the county assessor by each political subdivision on or before June 15.

On or before June 15, the county assessor shall send the Property Tax Administrator a report which includes:

(a) The name and address of every person receiving the notice.
(b) The county's website address where the following information shall be posted: (i) The time and place of the first budget hearing for the county and each city and school district authorized to levy a tax within the county; and (ii) The time and place of the joint public hearing held.

On or before June 25, the Department of Revenue shall send each person listed in the report a postcard containing information about the website address where more information can be found about budget hearings.

Each county and each city or school district levying a tax on property within a county shall participate in a joint public hearing. Each shall designate one representative to attend the joint public hearing on behalf of the political subdivision. If a political subdivision includes area in more than one county, the political subdivision shall be deemed to be within the county in which the political subdivision's principal headquarters are located.

At such hearing, there shall be no items on the agenda other than discussion on each political subdivision's budget process and preliminary information on relevant data that would impact the political subdivision's budget in the current year.

At least one voting member of the governing body of each participating political subdivision shall attend the joint public hearing. The county assessor of the county in which the joint public hearing is being held shall also attend the hearing. The presence of a quorum or the participation of elected officials at the joint public hearing does not constitute a meeting.

The joint public hearing shall be held on or after July 1 and prior to July 15 and before any of the participating political subdivisions file their adopted budget statement. The joint public hearing shall be held after 6 p.m. local time on the relevant date.

The joint public hearing shall be organized by the county clerk or his or her designee. At the joint public hearing, the designated representative of each political subdivision shall give a brief presentation on the budget process, how the budget affects the property tax request, information about the prior year's budget and property tax request, and any preliminary information about factors that may affect the current year's budget as may be known to the political subdivision.

The public will be allowed to speak at the hearing.

The original bill included a provision that a political subdivision may exceed the levy limit provided upon the affirmative vote of at least two-thirds of the members of the governing body of such political subdivision. The limits in the original bill froze taxes at the previous year’s level.

This has been modified to require a two-thirds majority vote by the governing body of a political subdivision when it sets a budget to set its property tax request at an amount that exceeds the prior year’s property tax request. This applies to a county, city, village, school district, learning community, sanitary and improvement district, natural resources district, educational service unit, or community college.

The rest of the bills included in LB 803 are:

- LB 938 - Creates the First-Time Home Buyer Savings Account Act, which allows individuals or couples to contribute to a future purchase of a primary residence and to deduct such contributions from their federal adjusted gross income (AGI). Contributions are subject to annual and total contribution limits. There is also an annual reporting requirement, which the Department of Revenue oversees.

- LB 1116 - Amends sections of the Nebraska Revised Statutes to allow second class cities and villages to use funds under the Sports Arena Facility Financing Assistance Act for ten years, up from five years; and changes certain provisions about review of applications by the board and quorum for actions taken by the board under the Act.

- LB 1154 - Amends the Property Tax Growth Limitation Act by removing a political subdivision's ability to subtract the prior year’s unused property tax request authority from the current year’s preliminary property tax request authority. The result is that the unused property tax request authority is included in the calculation for allowable growth and inflation. This applies to cities, counties and schools.

The Revenue Committee held the hearing on LB 575 on February 20th, 2025.
Sen. Hallstrom opened by outlining provisions of the bill. His opening focused on efforts to change the date for the postcards and wanting to ensure meaningful input in the budget process and not after things are already decided. He mentioned he recognizes that NRD budgets are a little different.

Proponents

Doug Kagan, Nebraska Taxpayers for Freedom, testified in support.

Nicole Fox, Platte Institute, testified in support. The bill would enhance the truth in taxation law by improving upon caps and providing greater transparency. Citizen buy-in and greater transparency are needed. The truth in taxation weaknesses is that joint public hearings are held too late in the process and after budgetary decisions have already been made. The bill will improve this process by moving those hearings earlier. Property tax increases occur automatically, and increases should only occur if entity's vote to raise the rate.

Bruce Bohrer, Lincoln Chamber, testified in support and noted there are many issues around local property taxes, however the issue that irks citizens the most is the idea of a valuation change and no change in the levy being spun as no tax increase. He gave credit to local boards that engage the public in budgeting process, but the bill is meant to get to the issue and processes that boost confidence in government. He discussed that this bill was a topic of discussion from the property tax working group he served on that was set up by the governor.

Opponents

Opponents included representatives from NACO, Nebraska Association of School Boards, Nebraska Rural Schools, League of Municipalities, and several other local political subdivisions.

Dean Edson presented testimony in opposition on behalf of the Nebraska Association of Resources Districts.

We are not opposed to property tax reform. The natural resources districts are very concerned about the heavy reliance on property taxes to fund schools and other political subdivisions.

The tasks before you are daunting and complex. We support reforms that reduce property tax reliance and provide adequate funding for both rural and urban areas. We believe you are on the right path to address school financing.

Local NRD boards have worked hard to keep the NRD taxes low and find other sources of revenue. However, this new proposed restriction not only hampers our efforts to protect natural resources, but it also sends a signal to never reduce taxes.

Attached to the testimony was a graph for the Central Platte NRD of their past 10 years of property tax collections. Note the upward trend until FY 2015-16, then a downward trend until FY 22-23.

Here is what causes this. Central Platte is in the Platte River Recovery area and had an obligation imposed on it by the state to come up with projects that will increase flows to the Platte River. The first increment had to be in place by 2019. They finished the projects in 2016 and lowered their collections from the high of just over $6 million in FY 15-16 to $4 million in FY 21-22.

Now the second increment targets need to be in place by 2029. You will note their collections are starting to increase to pay for the new projects.

If this bill was in place back in 2015, the incentive would be to keep the collection at the $6 million level and not decrease them as the levy limit be no more than the levy needed to raise the same amount of property tax revenue as was raised in the previous tax year.

If this bill was in place for FY 21-22, they could not get back to a level to pay for new projects.

The other districts in the Platte River recovery area – North Platte, South Platte, Twin Platte and Tri-Basin NRD all had similar patterns in tax collection. All peaked around 2016 when they got their projects in place, then lowered them. Now they are starting to trend up to pay for the next increment.

The NRDs work with local citizens to develop workable solutions to complex issues. As the NRDs navigate the complexities of water management, we ask the legislature to consider the on-going commitment to keep Nebraska #1 in water management and efficiency. The current and evolving demands necessitate a thoughtful and collaborative approach to spending controls. LB 575 does not meet these requirements.

LB 807 - Change the administration of the Noxious Weed Control Act from the Department of Agriculture to the Department of Water, Energy, and Environment and change provisions of the Noxious Weed Control Act and the Water Resources Cash Fund. Ibach.

Governor Pillen signed LB 807 on March 4, 2026. The measure will become law 90 days following adjournment of the Legislature. The Legislature passed LB 807 on Feb. 27, 2026, by a 39-9-1 vote.

Previously, the Legislature advanced LB 807 to Final Reading on Feb. 19, 2026, on a voice vote.

The Legislature advanced LB 807 to Select File on Feb. 4, 2026, on a 33-0 vote, after adopting the committee amendment, AM 1828, on a 31-0 vote. The bill was reported to General File on January 29, 2026, on an 8-0 committee vote after adopting committee amendment AM 1828.

The committee amendment (AM 1828) strikes the original sections and becomes the bill. The amendment retains administration of the Noxious Weed Control Act with the Department of Agriculture rather than transferring it to DWEE as the original bill proposed. The measure repeals authorization for the Riparian Vegetation Management Task Force and transfers authority for grant funding of state aid assistance to riparian vegetation management projects to DWEE.

The amendment establishes riparian vegetation management projects as eligible activities for state aid grant assistance through the Water Resources Cash Fund administered by DWEE. The amendment authorizes eligible uses of grant funds to include riparian vegetation removal that improves streamflow conveyance and the acquisition of equipment related to that purpose. Entities eligible to apply for a grant through DWEE include natural resources districts, weed control authorities, and other weed management entities. No later than January 1, 2027, the department shall prescribe the form for application. Priority in awarding grants under this program is given to applicants for projects within streams subject to an interstate compact or decree.

The original bill also included intent language to increase annual appropriation from $3 million to $6 million. These provisions were eliminated with the committee amendment, AM 1828.

The Agriculture Committee held the hearing for LB 807 on Tuesday, Jan. 27, 2026.

In her opening, Senator Ibach introduced LB 807 and AM 1757, a white copy amendment that would become the bill. Comments were limited to the amendment, which has been a collaborative effort between the Department of Agriculture (NDA) and the Department of Water, Energy, and Environment (DWEE).

AM 1757 keeps administration of the Noxious Weed Act with the Department of Agriculture but amends the Water Resources Cash Fund to expand its uses to provide grants to weed management entities. Priority will be given to entities involved in interstate compacts, such as the Republican River and the Platte River.

Senator Ibach suggested that DWEE supports LB 807 and this change will address the issue long term, as proponents will no longer have to seek general appropriation for these funds.

Proponents

John Thorburn, Tri-Basin NRD General Manager, testified in support. The Tri-Basin Natural Resources District, along with most of Nebraska's NRDs, is an active participant in and strong supporter of managing invasive vegetation in riparian areas to reduce flooding potential by ensuring that stream channel capacity is maintained.

Controlling invasive species also protects critical riparian wildlife habitat and reduces non-beneficial water consumption during drought.

Tri-Basin NRD is responsible for protecting the soil and water resources of Gosper, Phelps and Kearney counties in South-Central Nebraska. Our NRD helped organize both the Platte Valley and Twin Valleys Weed Management Areas. NRD staff work with these entities, helping to identify areas that need treatment and making contact with affected district landowners to secure their cooperation with Phragmites control efforts on their properties. We have also budgeted $20,000 of our local funds annually for the past 15 years to support Platte Valley Weed Management Area. Tri-Basin isn't exceptional in this respect. Overall, Nebraska's NRDs spent more than $ 500,000 of local funds and over 3,000 hours of staff time controlling noxious and invasive weeds in FY 2024-25.

Over the past 15 years, Weed Management Areas (WMAs) have received modest, but steady funding from several sources and have utilized those dollars extremely effectively, keeping invasive riparian plants under control in our river systems. Steady, predictable funding is key to effective management of invasive plants. This can't be an on again/off again process. Missing even one spray season could unravel the progress that we've achieved over the past 15 years. We don't expect the state to pay all the cost of managing invasive riparian plants, but we do need a reliable, predictable partner.

Because phragmites control is so closely related to flood control efforts, we believe that the Department of Water, Energy, and Environment is a good choice to administer Riparian Weed Management grant funds. Nebraska's Natural Resources Districts work closely with DWEE on a variety of issues. Adding this program increases opportunities for collaboration on flood control efforts.

Jon Cannon, NACO, stated that their interest is in the Water Management Cash Fund and ensuring its uses can be directed toward issues tied to water management, particularly those related to the Republican River Compact. He highlighted the U.S. Supreme Court case involving the Republican River, noting the significant return on investment—avoiding a potential $100 million lawsuit and resolving it for approximately $7 million, especially given that Kansas was likely to prevail.

This was a case against the State, and the Constitution provides that no property tax shall be levied for a state purpose. Instead, the approach has been to allow weed management areas to handle activities such as spraying for phragmites. These associations are primarily funded by property taxes. By funding these efforts through the Cash Fund, NACO believes their purposes can be accomplished more effectively.

Brent Meyer, Noxious Weed Superintendent for Lancaster County, testified in support on behalf of several weed management organizations. He noted that Nebraska has seen significant improvements in weed management, helping the state meet its water obligations to Kansas. Ensuring compliance with interstate compacts is a state responsibility.

Meyer stated that LB 807 makes practical improvements by strengthening funding, clarifying eligibility, and ensuring resources are directed toward effective, science-based weed management. He emphasized that the bill is a strong fit for the Water Resources Cash Fund, as improving streamflow conveyance supports flood mitigation, water management, and protection of public infrastructure. Nothing in the bill changes existing responsibilities; rather, it provides additional tools and partnerships to address statewide challenges.

Mike Reed, representing the Governor's Riparian Task Force and the Nebraska Weed Control Association, testified that the bill is critical for three reasons: 1) It helps maintain water conveyance for Nebraska's interstate water compacts; 2) DWEE intends to continue the work of the Riparian Task Force to improve and maintain streamflow, channel conveyance, riparian areas, ecosystem health, and water availability; and 3) Moving this effort to the Water Resources Cash Fund identifies a much-needed and appropriate funding source for water management. He concluded that it is good legislation that makes sense.

John Hansen, President of the Nebraska Farmers Union, stated that the amendment changed their position on the bill. He referenced the historical perspective shared by Jon Cannon, noting that this has long been a significant problem for the State of Nebraska, but one the state has tackled with substantial progress. He emphasized that this

is a never-ending job and one where it pays to stay at it year after year. The work these groups are doing is saving Nebraska a tremendous amount of money, making it a sound investment.

There was no opponent testimony.

Neutral

Sherry Vinton, Director of the Department of Agriculture, testified that the Department would be concerned with the bill as originally introduced, as it removes the Department's responsibilities under the Noxious Weed Control Act and transfers them to DWEE. These responsibilities have been performed by the Department of Agriculture since 1989.

She stated that if LB 807 is amended to keep the program within the Department of Agriculture, the Department would support the bill. The Department is in favor of repealing the Riparian Task Force and supports the new language allowing the Water Resources Cash Fund to be used for riparian management purposes.

In closing, Senator Ibach addressed the earlier question regarding funding. Previously, the program was funded 50/50 with NET and General Funds; it is now funded 100 percent through NET.
With this measure the program can return to the $5 million request level, allowing more remediation to occur in a shorter amount of time. As noted in testimony, this is a long-standing issue, and these changes will help reduce future litigation while ensuring Nebraska can deliver the required amounts of water.

With the amendment, the fiscal note is eliminated. Senator Ibach emphasized that the intent is not to move noxious weeds out of the Department of Agriculture. Noxious weeds will remain with the Department of Agriculture, while invasive species responsibilities will move to DWEE.

Letters of support were submitted by five proponents.

LB 823 - Change provisions relating to burning permits and the statewide open burning ban. Wordekemper.

The bill passed on Final Reading by a 49-0 vote on April 10, 2026. The bill was signed into law by Governor Pillen on April 14, 2026.

The Legislature advanced LB 823 to Final Reading on March 6, 2026, on a voice vote. Previously, the Legislature advanced LB 823 to Select File on Feb. 11, 2026, on a 30-0 vote.

The Natural Resources Committee reported the bill to General File on Feb. 3, 2026, on an 8-0 committee vote.

The bill adds two requirements for the issuance of burn permits for the local fire chief of a local fire department. These include:

1) Whether the land-management burning is to be a prescribed burning or a controlled burning.
2) The approximate number of acres to be burned.

The bill adds the following definitions for burning:

a. Controlled burning means a nonbroadcast burn primarily to clean up or remove debris or vegetation from a debris pile, ditch, or other condition where the spread of fire is limited to a small area;
b. Land-management burning consists of controlled burning and prescribed burning; and
c. Prescribed burning means a form of controlled burning that includes planning for the systematic application of fire to manage vegetation on land utilized for grazing, pasture, forests, or grassland, control weeds, pests, insects, and disease, prevent wildland fires, manage watersheds, benefit wildlife, care for windbreaks, and conduct scientific research.

The Natural Resources Committee held the hearing for LB 823 on Thursday, Jan. 22, 2026.

Senator Wordekemper opened the hearing noting the bill modernizes statute definitions. Changes appear modest, but with new definitions and new permit requirements it will have a profound impact. The interim study (LR 235) demonstrated that prescribed fire is not just a land management tool but is the best available tool for managing grasslands and preventing wildfires. Current statute provides only one definition that encompasses everything from burning a small pile or ditch, to large land management burn. Control burning would be small burn piles and ditches - prescribed burning is different and entails a systematic approach that requires planning, weather monitoring, and experience. This bill ensures that everyone across the state uses the same terminology, improves data collection, and will provide the state with a better understanding of the scale and use of burning.

The bill does not change the structure of maintaining local control for the burn permitting process. It does not add new fees and doesn't change when and how burns are permitted. Senator Wordekemper noted the bill is a product of extensive collaboration and he thanked several partners including the NRDs.

During questioning, Senator Wordekemper discussed that this measure may allow for future steps to assist with quantifying the scope of prescribed fire use across the state.

Proponents

Bill Hiatt, Central Platte NRD, testified in support noting their Fire Program began in 2004 due to landowner demand for help with burning their land. It assists landowners in planning, preparing, and implementing prescribed burns through different means: education and training, cost-share, advice, or contracting.

Fire is a natural and important process of rejuvenation, especially in grasslands. For too long, fire has been excluded from environments that need it to thrive. Prescribed burning brings that process back but under conditions that allow for targeted application. It is vital in our state's fight against woody encroachment and for healthy, resilient grasslands.

The changes made by this Bill may seem semantic but will have a big impact. In my 26 years of experience, the differences between controlled versus prescribed burning has consistently been a topic of misconceptions and confusion. Differentiating between the two in statute and on a plan will cut down on the time it takes to explain the process of prescribed fire and allow for clearer communication with fire departments and to the public.

While it is already standard practice for most, having acreage required in statute will also add an important detail that will allow local fire chiefs to get a fuller picture of the burn they are providing a permit for. On the data side, this small change will make for more efficient reporting, collection, and research. Overall, these small changes are a positive step to encouraging more reporting while also not changing any current burning practices and respecting the privacy of individuals.

Hiatt provided the committee with a thorough overview of the process a burn boss follows for developing a prescription for a prescribed fire. He highlighted the work the district does to support local landowners and local burn associations.

Brian Bruckner, Lower Elkhorn NRD, provided written testimony in support of the bill. The Lower Elkhorn Natural Resources Districts works to provide conservation assistance to landowners in northeast Nebraska and has used prescribed burns on some of our District owned and managed properties, to fight woody encroachment and non-native grass species with great success.

The changes proposed by this legislation will help to clarify issues that have, in the past, created misconceptions and confusion regarding the differences between controlled and prescribed burning. These changes will be helpful for local fire personnel who are responsible for reviewing and issuing burn permits. It also preserves the current system of local control as it pertains to the issuance of those permits, leaving that process in the hands of local fire departments.

An additional benefit of the enactment of this legislation would be the requirement to list the number of acres that would be impacted by a proposed burn. While this practice has already been a standard practice for some, making

it a requirement will make it clear to a local fire chief on the number of acres of land that would be impacted, which could be a deciding variable on their decision whether to issue a permit. Requiring the number of acres will also be beneficial for future research and practice evaluation activities.

Ryan McIntosh, Nebraska State Firefighters Association, testified in support. He noted they executed a survey of fire chiefs on the processes being followed for the issuance of burn permits. They received over 200 responses, which demonstrated that permits are handled differently and the process for tracking varies across the state. Definitions provided by the bill will enable better data collection in the future. Fire chiefs maintain a log of permits issued, but those details are not collected or compiled. This would be the first step toward allowing that data to be aggregated and collected.

Ed Hubbs, Nebraska Audubon, testified in support. He noted fire is a natural part of grassland ecosystems. Prescribed fire provides environmental and fire protection benefits. Components of prescriptions for prescribed fire are well understood and recognized in state law.

Senator Wordekemper closed reiterating this effort is just trying to get consistent definitions in place.

In addition to Lower Elkhorn NRD, seven proponents submitted letters in support. There was no opposition or neutral testimony.

LB 935e - Provide for the award of costs and attorney's fees in certain actions involving political subdivisions. Bosn. Judiciary Priority.

Senators passed LB 935 on Final Reading by a 38-11 vote on April 10, 2026. The bill was signed into law by Governor Pillen on April 14, 2026.

Senators advanced LB 935 to Final Reading on April 1, 2026, by a 33-12-4 vote.

Senators held General File debate LB 935 on March 25, 2026. In a procedural move, Senator McKinney requested that the question be divided, meaning each of the eight bills in the package had to be voted on separately. All eight were adopted, but the procedure took close to seven hours to get through. The bill eventually advanced to Select File by a 35-4-10 vote,

The bill was advanced out of committee on March 23, 2026, with Committee Amendment AM 2743. The amendment includes LB 935 as introduced and incorporates seven other bills as follows: LB 789 as amended; LB 876 as amended; LB 978 as amended; LB 1020 as amended; LB 1139 as amended; LB 1199 as amended; and LB 1228 as amended.

The original provisions of LB 935 declares that it is the policy of the state to deter frivolous or harassing litigation, especially when it involves frivolous claims or defenses against a political subdivision that necessitate the wasteful expenditure of scarce taxpayer resources.

A political subdivision may request an award of costs and attorney fees if:

- The political subdivision is defendant against a claim that is frivolous or intended primarily to harass the political subdivision, or its public officials; or
- Another party asserts a defense against a claim of the political subdivision and such defense is frivolous or intended primarily to harass the political subdivision or its public officials.

The bill outlines a procedure for the court to follow under the act.
Political subdivision is defined in the bill as any village, city, county, school district, public power district, community college, natural resources district, or other unit of local government.

The other bills included are:

- LB 1199 was introduced by Senator Ibach. As amended, the bill expands the population threshold to qualify for funds under the Legal Education for Public Service and Rural Practice Loan Repayment Assistance Act and appropriates funds to the program.

- LB 978 was introduced by Senator Storer. As amended, the bill creates new civil causes of action addressing obscene material, child sexual abuse material (CSAM), and child sexual exploitation devices or images. The bill supplements existing criminal statutes by authorizing private lawsuits and public enforcement actions that may proceed regardless of whether a criminal prosecution occurs.

- LB 876 was introduced by Senator Hallstrom. As amended, the bill creates a new statewide "no-contact period" that applies automatically when a person is arrested for certain domestic or sexual assault offenses. During a no-contact period, the arrested person must avoid the alleged victim. The purpose is to provide immediate, uniform protection in the first few days after an arrest—before the parties can realistically obtain a protection order or the court can act.

- LB 789 was introduced by Senator Bosn. As amended, the bill adds a hearsay exception for a statement offered against a party that wrongfully caused, or intentionally aided another in wrongfully causing, the declarant's unavailability as a witness and did so intending that result.

- LB 1020 was introduced by Senator Bostar. As amended, the bill prohibits the operation of an unmanned aircraft system in restricted areas and makes adjustment to the provisions related to unlawful intrusion through the use of unmanned aircraft systems. This bill also prohibits stalking through the use of mobile tracking devices and makes adjustments to the penalties for stalking. Finally, this bill creates the offense of swatting and establishes penalties.

- LB 1139 was introduced by Senator Hallstrom and relates to liens arising from child support and spousal support orders. Under current law, support judgments generally function as traditional judgment liens that attach to property and remain in place until formally released. As amended, the bill creates payment-based, automatic liens that attach only when a payment becomes due and unpaid and extinguished when the payment is made. The bill also establishes a streamlined process for real estate transfers when the obligor is current.

- LB 1228 was introduced by Senator Holdcroft. As amended, the bill creates a new state docket fee to be assessed as court costs in each civil cause of action and each traffic misdemeanor or infraction filed in the district courts and county courts. The bill also creates a case management systems software fee of $10.00 that shall be taxed as costs in each civil cause of action and each traffic misdemeanor or infraction filed in the district courts and county courts.

The Judiciary Committee held the hearing for LB 935 on Wednesday, Feb. 18, 2026.

Sen. Bosn opened the hearing highlighting that the measure strengthens accountability and fairness while protecting taxpayers. Cities, counties, and school districts frequently face frivolous lawsuits that burden taxpayers and public employees. Current law allows for reimbursement from frivolous claims, but existing law is ambiguous in how it pertains to local governments.

Sen. Bosn discussed that the measure codifies and clarifies eligibility for attorney fees and costs, while making clear political subdivisions have same authority as any other party.

Proponents

David Levey, representing the City of Omaha and the City of David City, testified in support of the measure. Levey discussed a situation in David City where over the course of just one year, one individual brought five active lawsuits against the city. This resulted in a cost to taxpayers well over $100,000 and took a lot of city staff time.

Levey outlined the process for determining if a lawsuit is frivolous. A defendant would need to make a claim that the original claim was frivolous, then the claimant gets an opportunity to claim why it was not frivolous, then the court rules. This process exists in statute already, but this just clarifies and harmonizes provisions. Case law demonstrates the bill would only address cases where the initial hurdle isn't met by the claimant - cases that are determined based on merits, even in favor of defendant, would not be eligible to be deemed frivolous.

Christy Abraham, NACO, discussed that the bill went through the NACO legislative and legal review process. Following review by city attorneys statewide, the measure had unanimous support.

There was no opposition or neutral testimony. Written comments for the record were submitted by 10 proponents and eight opponents.

The Committee reported the measure as the committee 2026 priority bill.

LB 1048 - Change and eliminate reporting requirements for certain government agencies and preparation of the state executive budget and eliminate the Small Business Advisory Council, the Suggestion Award Board, and the state employee suggestion system. Speaker Arch, at the Request of Governor.

Senators passed LB 1048 on Final Reading by a 48-1 vote on April 10, 2026. The bill was signed into law by Governor Pillen on April 14, 2026.

On April 7, 2026, senators advanced the bill to Final Reading by voice vote.

The Nebraska Legislature advanced LB 1048 to Select File on March 30, 2026, by a 45-0-4 vote after adopting the Committee Amendment, AM 1957, on a 41-0-8 vote.

The Government Committee reported LB 1048 to General File on Feb. 12, 2026, on an 8-0 committee vote with a committee amendment (AM 1957). AM 1957 eliminates changes relating to the Small Business Compliance Advisory Panel.

The bill changes several reports and reduces duplicative reporting requirements by combining several separate state agency reports required to the Governor and the Legislature.

Related to DWEE, the bill incorporates the following reports into DWEE's annual report due December 1 of each year: Water Resources Cash Fund Report; Annual State Energy Report; Livestock Waste Control Program Report; and Title V Air Quality Permit Program Report.

The Government Committee held the hearing for LB 1048 on Friday, Feb. 6, 2026.

Sen. John Arch opened on the bill stating it was introduced on behalf of Governor Pillen to create efficiencies in government. This is a continuation of work to reduce reports that are outdated, irrelevant or duplicative. He noted the legislature should periodically review these reports to reduce wasteful bureaucracy. He noted they are always ready to take edits to the bill if someone believes a report is necessary.

Proponents

Dustin Antolleno, Policy Advisor for Governor Pillen, testified in support. He noted the Governor's goal is to cut government waste and improve efficiency. He said this continues his work of reducing boards/committees that were outdated and continues to cut outdated reports that mostly go unread. At the time these reports were meant to bring transparency, but as time passed these reports became obsolete. He noted the bill impacts roughly 25 reports that are required to be submitted by state code agencies.

Sen. Dunixi Guereca asked about the Broadband Office report.

Antolleno noted the telecommunications companies are not reporting the information to the Broadband Office, so they don't have a report to file.

Sen. John Cavanaugh asked about the Water Resources Cash Fund report.

Antolleno said he would need to ask DWEE specifically, but the report is still required. The bill combines four DWEE reports into one annual report.

There was no opponent or neutral testimony.

Sen. Arch closed on the bill noting that some reports were eliminated and some were rolled together into a single annual report.

Letters submitted for the record included one proponent, no opponents and one neutral.

LB 1071e - Provide, change, and eliminate provisions related to appropriations for the expenses of Nebraska State Government for the biennium ending June 30, 2027. Speaker Arch, at the request of Governor.

Senators gave final approval to LB 1071 by a 35-13-1 vote on April 1, 2026. The bill was signed into law by Governor Pillen on April 7, 2026. The bill includes the emergency clause, so it becomes law immediately.

Following two failed votes for cloture on Select File, Senators reached a compromise and advanced LB 1071 to Final Reading on a 34-7 vote after adopting AM 2748 on a 36-0 vote on Thursday, March 26, 2026.

The bill includes changes to base funding and reductions to state agency appropriations for FY25-26 and FY26-27 to aid in addressing the budget shortfall. Appropriation adjustments included for natural resources agencies and programs are summarized below.

The Select File amendment, AM 2748, which became the bill, retained nearly all adjustments made to appropriations in the previous General File version, the exception being $3.65 million General Funds for opportunity scholarships which became a point of contention and was ultimately removed.

The AM 2748 compromise was reached after failed attempts to receive the necessary 33 votes for cloture and to advance the bill on Select File the week of March 16th. The bill was rescheduled for debate on Wednesday, March 25th, and again failed to receive the necessary 33 votes for cloture.

During the week of March 16th while on Select File, prior to the first failed attempt at cloture, debate focused on the Appropriations Committee amendment, AM 2748. The proposal included additional reductions in spending, including a $3.65 million reduction to private school scholarship funding.

Discussion became increasingly contentious, particularly around the proposed reduction to private school scholarships, which emerged as a central point of division. After four hours of debate, a motion for cloture failed on a 19–10 vote, well short of the 33 votes required to end debate.

The bill was then rescheduled for Select File debate on Wednesday, March 25th, and the Appropriations Committee offered a new amendment, AM 2920, that included similar reductions in spending as the prior amendment, AM 2748, but proposed to reinstate $3.65 million for private school scholarships that were excluded in the previous amendment. Contention over the private school scholarships again dominated debate and largely contributed to a second failed attempt to advance the measure. Motion for cloture failed on a 27–15 vote.

Previously, the bill was advanced to Select File on March 10, 2026, on a 32-14 vote following a successful 35-12 cloture vote. The original bill was modified with committee amendment AM 2162 that was adopted on General File by a 34-12 vote.

Multiple amendments were offered on General File and only one was successful. Senator Hallstrom offered AM 2522, which added $325,000 in Cash Funds in FY 2025-26 for Tourism Promotion.

Following the adoption of AM 2748 on Select File which became the bill, the following adjustments related to natural resources appropriations are included in the Final Reading version:

AGENCY NO. 11 — ATTORNEY GENERAL

Program No. 496 - Interstate Water Litigation – The FY2026-27 General Fund appropriation is decreased from $300,000 to $0; this is offset by an increase in Cash Fund appropriation from $200,000 to $500,000.

AGENCY NO. 84 — DEPARTMENT OF WATER, ENERGY, AND ENVIRONMENT

Program No. 313 - Water Sustainability Fund – The Cash Fund Appropriation for FY2025-26 is increased from $0 to $5,172,364.

Program No. 334 - Soil and Water Conservation – Decreases FY2025-26 General Fund appropriation from $10,708,426 to $9,645,854 and decreases the FY2026-27 General Fund appropriation from $10,758,426 to $10,170,854. Adds that the total includes state aid of $353,000 Cash Funds in FY26-27 for the removal of riparian vegetation as part of a vegetation management program, if such vegetation management program is being conducted for the primary objective of improving the conveyance of streamflow in natural streams.

Program No. 513 - Environmental Quality – Decreases FY2025-26 General Fund appropriation from $5,593,323 to $5,250,060 and decreases FY2026-27 General Fund appropriation from $5,593,323 to $5,250,060 in FY2026-27.

Additionally, the bill includes language authorizing several of the Cash Fund transfers included in LB 1072. These Cash Fund transfers are summarized in the narrative for LB 1072 below.

LB 1072e - Provide for and change transfers from the Cash Reserve Fund and provide, change, and eliminate provisions relating to fees, funds, fund transfers, agency powers and duties, and various statutory programs. Speaker Arch, at the request of Governor.

Senators gave final approval to LB 1072e by a 35-13-1 vote on April 1, 2026. The bill was signed into law by Governor Pillen on April 7, 2026. The bill includes the emergency clause, so it becomes law immediately.

The bill was advanced to Final Reading on March 19, 2026, on a 35-12 vote following a successful vote for cloture. The bill contains numerous fund transfers to aid in addressing the budget shortfall. Cash Fund adjustments included for natural resources programs are summarized below.

As part of the compromise to advance LB 1071, the bill was pulled back from Final Reading on March 26th, to adopt an amendment offered by Clements to remove provisions in the bill that would have eliminated the Oct. 1st sunset date for extended eligibility for the Child Care Subsidy program.

Clements said the change would align the two budget adjustment bills and return the qualifying income for the childcare subsidy to 130% of the federal poverty level when the current extended eligibility ends.

After adoption of the Clements amendment by a 33-0-16 vote, LB1072 advanced back to Final Reading by a 34-9-6 vote.

The bill as advanced from General File was replaced on Select File with committee amendment, AM 2649, which was adopted by a 35-8 vote. The amendment incorporated the committee's additional budget adjustments via cash fund transfers, adding an additional $83.2 million to address the remaining $125 million deficit.

Related to natural resources programs, the committee amendment adopted on Select File included the following additional adjustments added to the previously adopted General File version.

- The transfer from the Nebraska Environmental Trust Fund to the Water Recreation Enhancement Fund in FY25-26 was increased to $7.5 million, up from $5.1 million.
- The transfer from the Water Recreation Enhancement Fund to the General Fund in FY26-27 was increased to $8.5 million, up from $6.1 million.

- The transfer from the Jobs and Economic Development Initiative Fund to the General Fund in FY26-27 was increased to $2.9 million, up from $1.4 million.

The remaining adjustments to natural resources programs adopted on General File were retained. A summary of the cash fund adjustments include in the Final Reading version impacting natural resources programs follows:

Cash Fund transfers to be made to the General Fund before June 30, 2026, FY25-26:

- Leaking Underground Storage Tanks Trust Fund. The Governor proposed remaining balance transfer. Appropriations Committee amendments adopted on Select File retained this.

- Petroleum Products and Hazardous Substances Storage and Handling Fund. The Governor proposed remaining balance transfer. Appropriations Committee amendments adopted on Select File retained this.

- Small Watersheds Flood Control Fund. The Governor proposed remaining balance transfer. Appropriations Committee amendment adopted on Select File retained this.

- Integrated Solid Waste Management Cash Fund. The Governor proposed a $250,000 transfer. Appropriations Committee amendment adopted on Select File retained this.

- Trail Development and Maintenance Fund. The Governor proposed a $4,900,000 transfer. This was eliminated by Appropriations Committee amendment adopted on Select File. However, a transfer of $3,627,750 was added for FY26-27 via AM 2649.

- Surface Water Irrigation Infrastructure Fund. The Governor proposed a $5,000,000 transfer. This was eliminated by Appropriations Committee amendment adopted on Select File. However, a transfer of $5,100,000 was added for FY26-27 via AM 2649.

- Jobs and Economic Development Initiative Fund. The Governor proposed a $1,400,000 transfer. This was eliminated by Appropriations Committee amendment adopted on Select File. However, a transfer of $2,900,000 was added for FY26-27 via AM 2649.

- Safe Drinking Water Act Cash Fund. The Governor proposed a $400,000 transfer. This was eliminated by Appropriations Committee amendment adopted on Select File. However, a transfer of any investment earnings was added AM 2649.

- Water Recreation Enhancement Fund. The Governor proposed a $50,700,000 transfer. This was eliminated by Appropriations Committee amendment adopted on Select File. However, a transfer of $8,518,601 was added for FY26-27 via AM 2649.

- Nebraska Outdoor Recreation Development Cash Fund. The Governor proposed a $2,000,000 transfer. This was eliminated by Appropriations Committee amendment adopted on Select File. However, a transfer of $1,500,000 was added for FY26-27 via AM 2649.

- Wildlife Conservation Fund. The Governor proposed a $1,000,000 transfer. This was eliminated by Appropriations Committee amendment adopted on Select File However, a transfer of $800,000 was added for FY26-27 via AM 2649, which was later reduced to $438,000 via AM 2792.

- Game and Parks Commission Capital Maintenance Fund. The Governor proposed a $2,000,000 transfer. This was eliminated via Appropriations Committee amendment (AM 2649).

- Niobrara Council Fund. The Governor proposed remaining balance transfer. This was eliminated following the efforts of Sen. Storer on General File and via Appropriations Committee amendment (AM 2649).

Cash Fund transfers to be made to the General Fund before June 30, 2027, FY26-27:

- Superfund Cost Share Cash Fund. Governor proposed remaining balance transfer. Appropriations Committee amendment adopted on Select File retained this.

- Nebraska Environmental Response Cash Fund. Governor proposed remaining balance transfer. Appropriations Committee amendment adopted on Select File retained this.

- Perkins County Canal Project Fund. Governor proposed a $5,747,931 transfer. Appropriations Committee amendment adopted on Select File retained this. This equates to the interest from the fund.

- Safe Drinking Water Act Cash Fund. The Governor proposed a $250,000 transfer. Appropriations Committee amendment adopted on Select File changed this to a transfer of any investment earnings.

- Game and Parks Commission Capital Maintenance Fund. The Governor proposed a $2,000,000 transfer. Appropriations Committee amendment adopted on Select File eliminated this transfer.

- Trail Development and Maintenance Fund. Appropriations Committee amendment adopted on Select File added a $3,627,750 transfer.

- Integrated Solid Waste Management Cash Fund. Appropriations Committee amendment adopted on Select File added a $250,000 transfer.

- Nebraska Outdoor Recreation Development Cash Fund. Appropriations Committee amendment adopted on Select File added $1,500,000 transfer.

- Wildlife Conservation Fund. Appropriations Committee amendment adopted on Select File added a $800,000 transfer, this was amended via AM 2792 and reduced to $438,000.

- Perkins County Canal Project Fund to the State Settlement Cash Fund. Appropriations Committee amendment adopted on Select File added a $300,000 transfer.

- Surface Water Irrigation Infrastructure Fund. Appropriations Committee amendment adopted on Select File added a $5,100,000 transfer.

- Jobs and Economic Development Initiative Fund. Appropriations Committee amendment adopted on Select File added a $2,900,000 transfer.

- Water Recreation Enhancement Fund. Appropriations Committee amendment adopted on Select File added a $8,518,601 transfer.

Cash Fund transfers to be made from the Nebraska Environmental Trust Fund (NETF):

- Water Recreation Enhancement Fund (WREF). The Governor proposed transfer of $32,700,000 from NETF to the WREF before June 30, 2026. Appropriations Committee amendment adopted on Select File decreased it to a $7,522,461 transfer. This is offset by a transfer of $8,518,601 from the fund to the General Fund.
- Water Resources Cash Fund (WRCF). The Governor proposed transfer of $8,000,000 from NETF to the WRCF before June 30, 2027. Appropriations Committee amendment adopted on Select File decreased it to a $6,000,000 transfer.

The Committee amendment adopted on Select File also included several other cash fund adjustments not related to natural resources, including an increase in the transfer from the Cash Reserve Fund to the General Fund by $22 million, and the redirecting of $50 million from the Tobacco Settlement Trust Fund to the General Fund.

In addition to the adopted committee amendment, several senators offered amendments on Select File. These included renewed efforts by Sen. Raybould to transfer funds, this time $44.5 million, from the Perkins County Canal Fund to the General Fund. Several senators again highlighted the value of the project, the ongoing progress, and the importance of protecting the fund. Ultimately, Sen. Raybould's amendment, AM 2810, failed by a 11-33 vote. Sen. Raybould also offered an amendment, AM 2841, that would have prohibited transfers from the Nebraska Environmental Trust Fund, that amendment failed on a 10-24 vote.

Following four hours of debate, and a successful cloture vote, the committee amendment, AM 2649, was adopted on a 35-8-4 vote, and LB 1072 advanced to Final Reading on a 35-12 vote.

Previously, the bill was advanced to Select File on March 11, 2026, on a 33-12 vote following a successful 34-12 cloture vote. The original bill was modified with committee amendment, AM 2165, that was adopted on General File by a 33-11 vote.

During General File debate on the budget measure, several amendments were proposed and discussed. Only one was successfully adopted. Sen. Storer offered an amendment, FA 1050, that was adopted by a 27-0 vote that restores the remaining balance of the Niobrara Council Fund and the Niobrara Council Easement Defense Fund. The Governor and Committees proposed budgets swept the fund due to inactivity. Sen. Storer offered the amendment citing the importance of retaining the funds to protect the defense of easements held by the Council.

The Perkins County Canal Project fund generated significant debate during budget discussions. Ultimately, lawmakers rejected an amendment, AM 2549, to LB 1072 from Sen. Raybould that would have transferred nearly $90 million from the Perkins County Canal Project Fund. Sen. Raybould's amendment failed by a 9–30-10 vote. During debate, several senators highlighted the project's benefits and reaffirmed their strong support for moving it forward.

As introduced, the original bill is part of the Governor's overall effort to address the budget deficit, proposed to modify several cash funds and redirect interest and make transfers to the General Fund. The original proposal included transfers totaling $192.6 million over the biennium from various cash funds into the General Fund.

LB 1096 - Adopt the Preventing Lethal Agricultural and National Threats Act and the Critical Infrastructure Protection Act, authorize the withholding of records relating to critical water infrastructure, and provide civil and criminal penalties. Bostar, at the request of the Governor.

Senators passed LB 1096 on Final Reading by a 34-15 vote on April 10, 2026. The bill was signed into law by Governor Pillen on April 16, 2026.

On Select File, senators adopted AM 3101 offered by Senator Bostar. The amendment modifies the public records request statutes to clarify that limitations imposed on the bill would not apply to the following information regarding critical water infrastructure:

(i) Information relating to water quality, including consumer confidence reports and sampling results, public notices of violations, and compliance monitoring data;
(ii) Information relating to general descriptions of facilities, projects, budgets, or maintenance activities that does not reveal specific vulnerabilities; or
(iii) Information relating to water usage, water consumption, or water emissions.

After adopting the amendment by a 38-9-2 vote, senators advanced the bill to Final Reading on April 7, 2026, by voice vote.

Nebraska senators advanced LB 1096 to Select File on March 30, 2026, by a 31-9-9 vote after adopting the Committee Amendment, AM2726, by a 29-11-9 vote,

The Judiciary Committee advanced LB 1096 to General File on March 23, 2026, with AM 2726. The amendment replaces the bill and is like AM 2313, the amendment for the special hearing was held March 5th. Some of the recommendations at the hearing were incorporated into AM 2726.

The bill strengthens agricultural and critical infrastructure security from foreign adversary threats. The bill establishes criminal penalties for the unauthorized importation of high-risk agricultural pathogens, restricts foreign adversary access to critical infrastructure and sensitive technologies, and designates enforcement to the Attorney General. It also updates public records law to allow the withholding of sensitive infrastructure information and creates civil penalties on communication providers that fail to comply with equipment restrictions.

The amendment, AM 2726, is a replacement to the original bill and is narrowed down in scope. For those of you that have or operate rural water systems, the latest amendment for LB 1096 may affect you.

It maintains the criminal penalties for the unauthorized importation of high-risk agricultural pathogens, restricts foreign adversary access to critical infrastructure and sensitive technologies, and designates enforcement to the Attorney General. It does limit the definition of Critical Infrastructure and modifies the penalties to address concerns brought up by telecommunications companies.

Critical Infrastructure is defined in the bill as the 911 system, a communication infrastructure system, a cybersecurity system, a high voltage electric grid, a hazardous waste treatment system, or a water treatment facility.

The original version was much broader and defined critical infrastructure to include gas and oil production, storage, or delivery systems; water supply, refinement, storage, or delivery systems; telecommunications networks; electrical power delivery systems; emergency services; transportation services; and personal data storage systems including cybersecurity.

The amendment would require a company or other entity constructing, repairing, operating, or otherwise having significant access to critical infrastructure shall not enter into a contract or other agreement relating to critical infrastructure in this state with a foreign principal if the agreement would allow the foreign principal to directly or remotely access or control critical infrastructure in this state.

Foreign principal is defined as the government or any official of the government of a foreign adversary.

Under the proposal, a governmental entity shall not enter into a contract or other agreement relating to critical infrastructure in this state with a company that is a foreign principal if the agreement would allow the foreign principal to directly or remotely access or control critical infrastructure in this state.

A governmental entity is defined as any agency, department, board, commission, or political subdivision of the state that owns, operates, manages, or provides oversight for critical infrastructure.

To address concerns raised at the hearing regarding penalties, the amendment makes fines permissible for minor infractions related to required telecommunications reports filed. It does maintain mandatory penalties for violations of the act

It also adds that beginning November 1, 2026, in addition to other penalties and relief proposed, the Attorney General shall assess a civil penalty of up to ten thousand dollars per day against any communications provider that fails to submit the annual certification required under the bill or is unable to certify that its network is free of covered communications equipment and services deemed to pose a threat to national security identified in federal laws and regulations.

The Judiciary Committee held a hearing on AM 2313 on March 5, 2026.

At the hearing, Senator Bostar noted the proposed changes are like laws in Texas and Florida. He also noted several other states are considering adopting similar language.

Proponents of the amendment included Kenny Zoller, representing Governor Pillen, and the Omaha Chamber.

Opponents included several telephone and wireless phone companies. All objected to the mandatory $10,000 a day fine. They repeatedly pointed out that a clerical error in a report would be subject to the fine. They all urged for a permissive fine system that would take into consideration minor violations that could be easily fixed.

The Nebraska Chamber of Commerce presented neutral testimony and raised concern about the fines.

The Judiciary Committee held the hearing for LB 1096 on Thursday, Feb. 5, 2026.

Senator Bostar opened on the bill, noting it creates a felony for knowingly disrupting our agriculture/food systems. The bill uses existing USDA lists for high-risk pathogens and pests. Foreign adversaries, like China, have already tried to infiltrate critical systems, including water and power plant infrastructure. The bill directs the Attorney General to keep a list of prohibitive technologies (cameras, sensors, etc.) that cannot be connected to public infrastructure systems. He noted additional clarifications would be brought through amendments.

Senator Storer asked about the basis for including agriculture in the bill alongside transportation, noting they are two major sectors, and questioned why they were combined. He also asked how background checks would apply to agriculture employees. Senator Bostar responded that agricultural security is a major component of the food system, and that agriculture employees would not be included unless the Attorney General added them to the list.

Senator Storer noted that the Department of Transportation and other entities are identified as part of critical infrastructure and asked whether their employees would be subject to background checks. Senator Bostar responded that employees performing routine tasks, such as plowing roads, would not be included, but employees involved in IT or transportation systems critical to security would be subject to the checks.

Senator Hallstrom asked whether any infrastructure had already been accessed and whether the bill was intended to address current and future threats. Senator Bostar replied that there are persistent threats.

Senator Storer asked whether individual RFID cattle ear tags would be considered a concern. Senator Bostar responded that if the tags are networked, they could be, and noted the bill calls for the Attorney General to maintain a list of compromised technologies.

Proponents

Lt. Governor Joe Kelley testified in support on behalf of the Governor. He stated the bill provides an essential enforcement mechanism and that Nebraska cannot afford to treat security as just another line item in the budget. He said the state remains a primary target for adversary sabotage and that there are ongoing conversations with the Office of the CIO to ensure systems are protected.

Jessica Shelbourn, Nebraska Department of Agriculture Deputy Director, testified in support. She noted these pests and diseases could cause significant harm to plants and livestock. Because the department's inspection service works closely with the federal government, she said it makes sense to use the federal lists. She explained that staff work daily to inspect and reduce the spread of diseases and pests. She cited examples in other states, such as Texas, where unsolicited packets of seeds—reportedly from China—have appeared on doorsteps and could contain

pathogens or invasive species. She also referenced other incidents involving the smuggling of agricultural pathogens. She stated that new and effective changes like LB 1096 are welcomed by the department.

Elizabeth Elliot, Lincoln Transportation and Utilities Director, testified in support. She noted this bill adds critical water infrastructure to the list, which helps balance government transparency with the need to protect critical infrastructure (drinking water and waste water). Maintaining public trust means maintaining transparency but also protecting our security. She noted public records request for maintenance schedules, frequency of work, and specific locations could reveal when and where systems are most vulnerable. She noted the need to protect the security of these systems while remaining transparent to the public.

Senator Rountree asked who is making these public records requests. Elliott responded that some requests are generated by AI systems seeking information for marketing purposes, while others are vague and lack clear identification of the requester. She said the requests are often very large, and when LTU estimates the time required to compile the information, the requester sometimes abandons the request. She noted these requests are becoming more frequent, with LTU responding several times a month. She added that during major remodeling or shutdowns, there can be openings where systems could be disrupted, and for security reasons, it is best to keep certain information private.

Michael Lucci, founder of State Armor, testified in support. He explained that State Armor focuses on hybrid warfare and pre-positioning for attacks, and he said there have been multiple attacks on states. He referenced a bust in Las Vegas involving a biolab allegedly intended to distribute diseases such as Ebola and HIV. He stated that the individual involved described himself as a Chinese national intending to harm the United States, and that the lab was located near a military base.

He said similar incidents have occurred in various parts of the country. He also stated that Huawei telecommunications equipment surrounds multiple military bases and could be used to disrupt military signals. He said he had been told of Huawei cameras in Nebraska being accessed remotely to monitor specific assets, and that Nebraska's exposure is outsized compared to other states. He described China as an enemy military power and said the threat is significant. He added that in March 2025, the federal government indicated states should take the lead in determining what should be included on critical infrastructure lists. He said China views the openness of U.S. systems as a weakness that can be exploited.

Jackie Deal, Long Term Strategy Group, testified in support. She quoted multiple sources that have stated that the nation is being infiltrated through roads, bridges and water infrastructure. She said China's military buildup is the largest in history, but that Chinese officials describe their primary "magic weapon" as the use of operatives embedded in government and companies. She said these operatives may file records requests, obtain government contracts, and position themselves in ways that could enable military operations.

Opponents

Tip O'Neill, President of the Nebraska Telecommunications Association, testified in opposition. He expressed concerns about the background check requirements for employees, noting they would be costly and time-consuming for telecommunications providers. He said the bill would make the Attorney General's office the gatekeeper for who could access information, and that the requirements could overwhelm the office. He also stated the bill could stall broadband work across the state. He said the association wants to work with the Legislature to strengthen security without slowing down or limiting services.

Jeremy Crandall, CTIM Wireless Trade Association representing AT&T, T-Mobil, and Verizon, testified in opposition. He said they share the same goal as the bill sponsor to protect national security. However, he noted the opposition lies on two things: the current federal administration and the FCC are already acting on this matter, and there will be immediate impacts to constituents due to the FCC's "Rip and Replace" program. He stated that while the bill is well-intentioned, it conflicts with current FCC efforts and could affect reliability and connectivity.

Grant Leach, Nebraska Advocacy Group and Rural Telecom Group, testified in opposition. He noted he is an attorney at Husch Blackwell focusing on national security law and regulations. He said this bill is well intentioned and there are very bad actors associated with foreign adversaries – these security threats are not a boogeyman this is real and happening. However, he stated the bill would increase burdens on communications companies. He also noted the bill should include investment provisions to address foreign adversary ownership or investment concerns.

Tim Pospisil, Nebraska Public Power District, testified in opposition. He noted that the threats are real and NPPD has seen them for the last 20 years. He outlined specifics that would lead to unintended consequences, including issues related to reporting requirements and what "company" means. He said Section 10 duplicates existing federal mandates the industry already follows. Section 12 imposes restrictions on software and components, and that NPPD uses about 10,000 different software systems, making compliance difficult.

Jon Becker, Vairo Wireless, testified in opposition. He explained their network was built using China's Huawei technology and is now part of FCC's "Rip & Replace" program to remove this technology and transition to a more secure system. He said Section 15 would fine them for technology that federal law already requires them to remove. He noted Vairo is working to replace the technology but could face fines if the work is not completed quickly enough due to supply chain issues. He stated Vairo remains committed to completing the program in Nebraska, with a current deadline of May 8 and a six-month extension expected, moving the completion date to November.

Hunter Traynor, Nebraska Chamber of Commerce, testified in opposition. He noted this is a very broad bill with vague language. He also noted the flow down for entity ownership control is vague on first read.

Neutral

Ryan McIntosh, Nebraska Bankers Association and Nebraska Volunteer Firefighters Association, testified in the neutral capacity. He noted a specific section related to emergency services where the language could be adjusted.

Matthew Gregory, Nebraska Farmers Union, testified in the neutral capacity. He noted they are in support of the first section related to agriculture pest and pathogens. He raised concerns with language in section 13 related to smart meters and solar panels, noting NFU would like to see more solar development and would be wary of provisions that could exclude Chinese solar panels. NFU has spoken to Senator Bostar's office about an amendment they could support.

Jessica Kolterman, Lincoln Premium Poultry, testified in the neutral capacity. She said they are not opposed to the concept of the legislation but have two concerns as a business. As a food processor, USDA refers to Lincoln Premium Poultry as critical infrastructure, and she said it is unclear whether they would be considered critical under the bill. She also noted that if they were required to report every cyber-attack, they would need to hire multiple full-time employees. She explained they experience thousands of cyberattacks each week and already have a full-time staff member dedicated to handling them.

Senator Bostar closed on the bill, stating they are eager to move forward and find the right language to ensure the legislation's intent.

Letters submitted for the record included one opponent.

Section Two – Bills Vetoed and the Senators Response

LB 1256 - Redefine a term under the Emergency Management Act. Cavanaugh, J.

Senators passed LB 1256 on Final Reading by a 49-0 vote on April 10, 2026. The bill was vetoed by the Governor on April 15, 2026. Senator John Cavanaugh made a motion to over-ride the veto, which failed on a 23-22-4 vote.

Previously, senators advanced the bill to Final Reading on April 7, 2026, by voice vote. The Legislature advanced LB 1256 to Select File on March 30, 2026, by a 39-0-10 vote. The Natural Resources Committee reported the bill to General File on March 17, 2026, by a 8-0 committee vote.

The bill adds flood management, snow and ice removal to the definition of Emergency Management.

The Government Committee held the hearing for LB 1256 on Thursday, Feb. 26, 2026.

Sen. Cavanaugh opened by highlighting the intent is to make sure public works employees are considered emergency workers under the law. Managing and mitigating the impact of floods is an emergency activity. This bill gives clarification that workers engaging in these activities are emergency workers.

Sen. Cavanaugh was asked what is the benefit of categorizing these as emergency activities? He discussed that when there are budget constraints this can free up certain monies when there are emergencies.

Proponents

Scott Dombeck, 251 Public Employees, testified that this aligns the Emergency Management Act with how emergency response actually works. Public workers routinely operate under emergency conditions, working to protect facilities during flood events, which is not routine maintenance and is an emergency response that protects communities. The bill clarifies that these functions of public workers are providing emergency services that protect communities.

There was no opposition or neutral testimony.

In closing, Sen. Cavanaugh suggested this measure aims to ensure workers who were previously excluded are now recognized as providing emergency services. He suggested the effort is simply to recognize how important the work of these emergency responders is. He added that this may impact the powers and authorities granted to the workers, but he would need to look into that more.

Written testimony was provided for the record by four proponents and one neutral.

Section Three – Bills that have been Indefinitely Postponed

All bills not passed by the end of the session, including carry-over bills and those with provisions amended into other bills, were indefinitely postponed at the end the 2026 Legislative Session. Some bills were indefinitely postponed before the session ended. Bills indefinitely postponed of interest to natural resources districts included the following:

LR 12CA - Constitutional amendment to impose a limit on ad valorem taxes for real property, provide a new method of valuing real property for tax purposes, provide certain exceptions, and eliminate conflicting constitutional provisions. Kauth.

A constitutional amendment to eliminate the uniform and proportionate language in the constitution for taxes on real property. The amendment also eliminates the language to allow ag land to be a separate class of property. This section allows ag land to be valued at 70% of the market value rather than full market value.

The new method would be to value real property at full cash value. Full cash value is defined as the county assessor's valuation of real property for 2027 or, thereafter, the appraised value of real property when purchased, when newly constructed, or when a change in ownership has occurred after the 2027 assessment.

The full cash value shall be adjusted from year to year by the inflationary rate, not to exceed two percent for any given year, or the deflationary rate, if applicable, as shown in the consumer price index or comparable data for the area subject to taxation, and may also be reduced to reflect substantial damage, destruction, or other factors causing a decline in value.

Beginning January 1, 2027, the maximum amount of any ad valorem tax on real property shall not exceed one and one-half percent of the full cash value of such property. Such tax shall be collected by the counties and apportioned as prescribed by the Legislature to the political subdivisions within the counties.

The Revenue Committee held the hearing on LR 12CA on February 28, 2025.

Sen. Kauth opened discussing that the measure is modeled after Proposition 13 out of California. Sen. Kauth brought the measure to have a discussion and compare this concept to other property tax relief measures being considered. She noted the measure would give consistency and stability to taxpayers. The property tax would be

set at 1.5% of the sale of a home. Sen. Kauth discussed that ongoing conversations and calculations suggest that the amount for ag land should be 1.125%.

Sen. Dungan discussed that prop 13 caused political subdivisions to face budget deficits and that the state had to pick up that deficit – he followed that up with asking if there is anything in this measure to prevent that? Sen. Kauth noted California started at 1%, and with this measure she found that 1.5% seemed to be an amount that would be close to current average rates.

Proponents

Doug Kagan, Nebraska Taxpayers for Freedom, testified in support, highlighting the burdens of Nebraska's property tax system. He suggested this measure would mitigate bonds and force bond efforts to become more highly scrutinized. He suggested the measure would take the issue out of the hands of the legislature and give Nebraska voters the opportunity to address the issue at the ballot box.

Alan Seybert, Nebraska Taxpayers for Freedom, testified in support and echoed testimony provided by Doug Kagan.

Opponents

Stacey Watson, testified in opposition on behalf of the Omaha, Lincoln, and Nebraska Chambers. Her testimony outlined several issues proposition 13 has created in California. The measure creates an inequality in property tax. Additionally, the burden is placed on other forms of taxation, suggesting people stay in Nebraska vs California due to low income taxes.

John Cannon, NACO, testified in opposition, highlighting the impact the measure would have on Nebraska's uniformity clause and the predictability it brings. Cannon provided the committee with examples of the discrepancy and inequality that would be created between properties recently sold and properties that haven't sold for years.

Lynn Rex, League of Municipalities, testified in opposition echoing the testimony of previous testifiers.

Sen. Kauth closed noting that the failures of California are not related to prop 13. She suggested opponents and entities don't want to give up the hidden windfall that comes with valuation increases.

Letters were submitted for the record by three proponents, three opponents, and one neutral.

LR 16CA - Constitutional amendment to require the Legislature to reimburse political subdivisions. Urban Affairs Committee.

A constitutional amendment to require the state to reimburse political subdivisions for responsibilities imposed by the Legislature after the year 2026 or for increased levels of service required by the Legislature after the year 2026.

LR 18CA - Constitutional amendment to require the Legislature to reimburse political subdivision. Government Committee.

The Legislature debated LR 18CA on Friday, January 16th. The constitutional amendment requires the state to reimburse political subdivisions for responsibilities imposed by the Legislature after the year 2026 or for increased levels of service required by the Legislature after the year 2026.

An amendment was offered by Senator Clements, AM1727, would clarify how the reimbursements would be made. He withdrew the amendment before a vote occurred on the motion. The amendment would have allowed reimbursements to be: (a) A specific appropriation to such political subdivision; (b) An increase in the state distribution of revenue to such political subdivision; or (c) An increase in the amount of a fee that may be retained by the political subdivision. Again, the amendment was withdrawn before a vote was taken.

After considerable debate, the measure failed to advance from General File by a 23-20-6 vote.

The Government Committee reported LR 18CA to General File on March 11, 2025, following an 8-0 committee vote. The following are the hearing notes.

The Government Committee held the hearing on LR 18CA jointly with LR 16CA on February 27, 2025.

Sen. Sanders introduced LR 18CA by noting the need to address property taxes. Citing a recent report that Nebraska property taxes are the 8th highest in nation. Nebraska has wrestled with this issue for years as the Legislature has steadily added other duties to local governments. Anytime we tell them to do something new, it comes with an expense.

Sen. Sanders discussed that if efforts to reduce the property tax burden in the state are serious, then unfunded mandates need to be part of the solution. Sen. Sanders noted the proposal has been voted out of committee to the floor twice – once in 2022 and again during the 2024 special session. The committee needs to do its part to solve the problem for Nebraska.

Sen. McKinney introduced LR 16CA on behalf of the Urban Affairs Committee, noting political subdivisions have been left to absorb financial burdens. Sen. McKinney discussed that if the state deems a new program necessary, they should fund it and reimbursements must come through direct appropriation.

Proponents

Lisa Alers, Nebraska Association of School Boards and Grand Island Public Schools, testified in support. Unfunded mandates have strained school resources. Unfunded mandates disproportionately burden smaller school districts.

Jack Moles, Nebraska Rural Community Schools Association, testified in support highlighting that it's not just unfunded mandates, but also underfunded mandates. Moles noted there are about 30 bills this year that might add local costs to districts. Often, they're small costs, but they hit the small districts especially hard.

Joe Dondlinger, City of Lincoln, testified in support noting the measure would help protect taxpayers and ensure cities could continue to provide services.

Christy Abraham, testified in support on behalf of League of Nebraska Municipalities. Abraham provided a list of unfunded mandates, noting it's not an exhaustive list. Often unfunded mandates are not bad, but the costs get placed on counties and municipalities.

David Klug, Sarpy County Commissioners, testified in support. Klug provided that $15 million, or 15%, of Sarpy County's budgeted expenditures in 2024 went to fund unfunded mandates in 2024.

Beth Bazyn Ferrell, NACO, testified in support noting that we need to recognize the link between the state and the counties, and the funding impact when something new is put in place.

NARD submitted written testimony on behalf of Nebraska's Natural Resources Districts (NRDs) to express our support to LR 16CA & 18CA.

We appreciate the two committees recognizing there is a cost shifted back to political subdivisions to implement programs approved by the legislature. What has been missing over the years is recognizing that these programs cost money to implement and they fall back on property taxes to pick up the cost.

In 2004, the Legislature passed a bill to declare the Platte River over-appropriated. This bill, LB 962, required NRDs in over appropriated areas of Nebraska, as designated by the Nebraska Department of Natural Resources, to create Integrated Management Plans (IMPs). These plans are an incremental approach aimed at achieving and sustaining a fully appropriated condition while maintaining economic viability, social and environmental health, safety, and welfare of the Basin.

The initial increment of IMPs required NRDs to offset over 18,400 ac/ft of depletions to the Platte River upstream of Chapman. To meet these requirements, NRDs were confronted with the choice of implementing potentially devastating regulations, posing a threat to local economies, or seeking alternative options for returning water to the river. NRDs were able to meet the mandates of the initial increment by pursuing studies, conjunctive management projects, irrigation retirements, and leases. However, these efforts came at a cost of more than $57 million to local NRDs which came from property taxes.

The NRDs in the over appropriated area of the Upper Platte Basin now find themselves in the middle of the required IMP's second increment which has to be in place by 2029. Not only are NRDs tasked with the costly endeavor of maintaining the actions implemented during the initial increment, they also must implement further programs and projects to offset additional depletions that exceed those required during the 1st increment.

A recent example of the cost is a bill passed last year to implement the Nitrogen Reduction Incentive Act. This bill required a payment of at least $10 acre to farmers that reduced their nitrogen application by at least 15% or 40 pounds per acre. This bill helps address the nitrogen reduction loads that might get into groundwater. There were 1,137 applications to enroll 156,143.59 acres in the first year.

The NRDs dedicated significant staff time working with individual producers, helping them compile their data and complete the necessary information. We also worked with crop consultants, local agronomists and nitrogen technology dealers to promote the program. Many also did radio, social media posts, newspaper ads and newsletters to promote the program. This took time away from other duties and was not reimbursed. We will also have time spent on compliance checks and issuing final payments.

There is another bill introduced this year to increase funding for the program with LB 638. We are working with the sponsor of the bill and the Agriculture Committee to consider allowing a 10% administrative fee to assist with the cost of the program moving forward.

While the amount might seem small, roughly $100-125 thousand, the cost to implement and administer new programs adds up and it falls back on property taxes.

We encourage your support for the language included in LR 16CA and 18CA.

Opponents – There was no opposition and no neutral testimony.

Letters were submitted for the record by 14 proponents.

Sen. Sanders closed by reiterating it's time for the committee to advance this measure to the floor for the third time.

LR 22CA - Constitutional amendment to provide the right to a clean and healthy natural environment and that the state and political subdivisions serve as trustee of the natural resources of Nebraska. Dungan.

A constitutional amendment to require that all people have a right to a clean and healthy environment, including pure water, clean air, healthy soils, balanced ecosystems, a safe climate, and diverse and abundant native flora and fauna and to the preservation of the natural, cultural, scenic, recreational, and healthful qualities of the environment.

The state, and each subdivision thereof, shall serve as trustee of the natural resources of Nebraska and shall conserve, protect, and maintain such resources for the benefit of all the people, including present and future generations. The rights and obligations in this section shall be self-executing.

The Natural Resources Committee held the hearing on LR 22CA on February 26, 2025.

Sen. Dungan opened by noting the idea for the resolution came following his attendance at a youth climate summit and a presentation about the green amendment. There are three states that have adopted a green amendment – Pennsylvania, Montana, and New York – and nine other states are currently considering the measure.

Sen. Dungan discussed the amendment, which would ensure that the government, including at the state and local level will work to enhance the environment at every level of the decision-making process. The measure will legally rank the right to environmental health along with other conditional protected rights.

Sen. Dungan discussed that the measure does not create private rights of action against another citizen, rather the goal is to provide individuals ability to take action against government when it infringes on their rights. The language for the amendment comes from case law from states where this has been adopted. Montana and Pennsylvania adopted this in the 1970s.

Sen. Hughes presented a hypothetical scenario regarding nitrates, and what the measure would mean when an individual who buys land and digs a well that has high nitrates? Sen. Dungan discussed that the way he understands it, when the government makes a decision that caused it, an individual would have to prove the government caused it and ultimately case law would need to be referenced.

Sen. Hughes asked about the references to pure water and clean air, and if those are defined? Sen. Dungan noted the courts would need to look at case law for determinations of definitions. Sen. Dungan mentioned there have been an average of 3-10 cases a year in states with this in place.

Proponents

Sheridan Macy, Attorney from Omaha, testified in support. She noted she helped draft the language. She discussed that it's the duty of state government to protect people and when people are not protected, this enables them to sue the government.

Other proponents included Nebraska Sierra Club, Nebraska Power and Light, GC Resolve, and several student and climate activist groups. Proponent testimony highlighted concerns over climate change and other environmental threats. Several testifiers referenced nitrate contamination and threats to water quality. A common theme was this would allow for legal action allowing the courts to sort out holding government accountable.

Opponents

NARD submitting written testimony on behalf of Nebraska's Natural Resources Districts to express our opposition to LR 22CA.

While ensuring a clean and healthy natural environment for all Nebraskans is a laudable goal, we believe this constitutional amendment makes promises Nebraska cannot keep.

Nebraska's NRDs already serve as trusted stewards of our natural resources, using a locally driven approach, to balance environmental protection with the economic needs of our communities. This system has been highly effective in addressing local resource concerns—whether it be groundwater quality/quantity management, soil conservation, or flood control.

There are areas in the state that have nitrate contamination from excess fertilizer applied over the last 50 years. This problem did not arise overnight and will not be cleaned up overnight. We are on the right path to reverse the trend, but it might take decades to make all water safe to drink.

The vague language of LR 22CA could introduce legal uncertainty, increase litigation, and create overlapping responsibilities that might weaken the authority of NRDs to make timely, localized decisions. This could result in funding legal actions, not corrective actions to improve and protect natural resources.

Additionally, Nebraska already has strong environmental protections in place under existing statutes and regulations. Adding a constitutional amendment could lead to conflicts with these existing frameworks, creating

uncertainty for both regulators and those who rely on Nebraska's natural resources for their livelihoods—particularly our agricultural sector.

In conclusion, while we support the intention behind LR 22CA, Nebraska's NRDs believe that the amendment is unnecessary and could unintentionally weaken the very conservation system that has served our state effectively for decades. I urge the committee to reject this measure and instead continue supporting the strong, locally driven resource management model we have in place.

Dave Begley, an Attorney from Omaha, testified in opposition highlighting this would be the most extreme and expensive measure ever offered in the Unicameral. It would skyrocket the budget deficit as every liberal attorney in the state would file lawsuits.

Neutral

Allie Bush, Nebraskans Against Government Overreach, testified in a neutral capacity. Bush suggested if the government gets sued, they kind of deserve it. She referenced Nebraska statute 2-3237 and suggested NRDs contract with other entities for weather modification and she would like to see a ban on weather modification, so heavy metals and chemicals are not being put in the air.

Letters were submitted for the record by 138 proponents, nine opponents, and one neutral.

Sen. Dungan closed suggesting that the opposition is concerned about frivolous lawsuits, but no lawsuit that has been brought under this measure in other states has been dismissed as frivolous. He does not think there will be an influx of litigation in Nebraska.

Sen. Conrad inquired if inaction would result in a ballot initiative? Sen. Dungan suggested this is the beginning of the process and there may be a broader effort.

Sen. DeKay asked if this puts more clarification on the nitrate issue? Sen. Dunigan suggested it presents a platform for the issue to be discussed.

The Committee reported no action on the measure.

LR 27CA - Constitutional amendment to change legislative term limits to three consecutive terms. Hunt.

The proposed amendment extends the term limits for the legislature to three consecutive terms.

The Executive Board held the hearing on LR 27CA jointly with LR 19CA on February 27, 2025.

LR 19CA was passed on May 28, 2025, on a 39-10 vote.

LB 86e - Appropriate funds to the Department of Natural Resources. Dorn.

The bill proposes a $500,000 appropriation from the General Fund to the Department of Natural Resources for the purpose of issuing a grant to a natural resources district that has more than two hundred fifty watershed structures in order to fund projects involving the operation, maintenance, or repair of such structures.

The bill adds a requirement that a project is eligible for grant funding under this section if the total cost of the project exceeds $30,000 per structure. The bill includes the emergency clause.

The Appropriations Committee accepted testimony on the bill on March 18.

Sen. Dorn introduced LB 86 as a straightforward request for essential funding aimed at aging infrastructure. If the state expects to keep farms and communities safe, it must invest to rehabilitating critical infrastructure. While NRDs have done an outstanding job managing these systems, relying on patchwork repairs is not a sustainable long-term solution.

Sen. Dover asked about current annual expense for maintaining dams?

Sen. Dorn noted the state is not investing anything in these efforts. While NRDs receive some federal funds it's minimal.

Proponents

Kyle Hauschild, the General Manager of the Nemaha Natural Resources District, testified as a proponent to LB 86 on behalf of the Nemaha NRD and the Nebraska Association of Resources Districts.

Over the past 70 years southeast Nebraska has been developed as one of the biggest stormwater infrastructures in the state. Currently 518 dams have been constructed within the Nemaha NRD, and 379 are operated and maintained by the NRD. Most of these structures were constructed prior to the inception of the NRD system in 1972. When the NRDs took over these entities, they also inherited the responsibilities of these structures.

PL 534 and PL566 were federal programs that were used to build many of the watershed structures around the state, with many of these structures being built prior to the inception of the NRD system. PL 534 was a pilot project that was created to provide grade and flood control, and the Nemaha NRD is proud to house the first plan that was ever completed, which started in 1953 and was completed in 1962. When these dams were constructed, the design life was 50 years, leaving the Nemaha NRD with many structures that have far surpassed their design life. This fund was established for the construction of these dams, not the operation, maintenance or rehab.

There is a funding need to fix these structures that have served their purpose. Just like all infrastructure, these dams need rehabilitation to make sure they can serve the public for another 50 plus years. The NRDs have been working to keep up with the needs of dam maintenance. With our limited budget at the Nemaha NRD of just short of $4 million, we are not able to keep up with the rehabilitation needs and the upkeep of these structures alone.

The NRDs strive to provide superior public services and keep our property tax levy as low as possible. It has been estimated that if the Nemaha NRD were to rehabilitate all of the dams that are at or over 50 years old, it would cost $10.5 million, and that cost increases each year with more dams added to the list. Completing these projects is a big task with a limited budget and a large price tag.

He recognized the bill is very narrow so only a couple of NRDs can benefit and are willing to work with the committee and interested parties to look at additional funding so all NRDs can participate. He attached some fact sheets to this testimony to provide additional background information on all of the structures in Nebraska.

We need financial help with keeping this valuable infrastructure in place, operating as designed, and protecting the people and the resources above and below them. Going with the motto of the NRDs, we are here for "protecting lives, protecting property, and protecting the future." These dams have done that for over 70 years, and we ask for help to protect them for 70 more.

Kyle was asked how dams are prioritized for maintenance and the cost associated with it?

Nemaha NRD has a priority list of Dams from oldest to newest. Various maintenance strategies are used, with slip lining being a key resource. Slip lining has a 75 year warranty and costs an average of $60,000 per structure. General maintenance averages $5500 per year per structure.

Spivey asked questions related to planning?
NRDs have our own maintenance schedules and work with NeDNR on dam safety inspections and provide comments on them. It's easy to budget for maintenance but hard to plan for unforeseen issues that arise.
Spivey asked questions related to funding? Federal funds were established to build dams, but not maintain dams. All maintenance falls back on owners, so NRDs are charged with all operation and maintenance.

Sen. Dover, do you look at size when prioritizing?
The primary factors are the need and age of the structures rather than the size.

Sen. Clements do you levy at your limit?
We do levy but we are not at our maximum.

In closing, Senator Dorn mentioned that larger dams serve multiple purposes beyond flood control, including recreation and environmental benefits. Investing in their maintenance ensures they continue to provide these vital services for communities.

Letters submitted for the record include three proponents.

The Committee reported no action on the bill.

LB 145 - Require the Director of Agriculture to administer a grant program relating to noxious weeds and restate intent regarding appropriations for vegetation management. Ibach.

The bill modifies the Noxious Weed and Invasive Plant Species Assistance Fund.

First, the bill eliminates the permissive language (may) and requires (shall) the Director of Ag to administer a grant program to assist local control authorities and other weed management entities in the cost of implementing and maintaining noxious weed control programs and in addressing special weed control problems as provided in law.

The bill also increases the intent language to appropriate funding from $3 million a year to $6 million annually beginning in FY 2025-26 for the management of vegetation within the banks or flood plain of a natural stream.

The Agriculture Committee held the hearing for LB 145 on January 28, 2025.

Sen. Ibach opened on the bill noting there was $5 million appropriated in 2007 to control invasive species that prevent delivery of water. Due to lean budget years it has been cut. Last year, the committee heard from weed management agencies that applications were accepted but the Nebraska Department of Agriculture (NDA) said they would no longer provide grants. The legislature protected funds last year and the agency decided to ignore the intent. The State needs to support weed management agencies. Having two-year contracts vs one-year contracts may be a better solution.

Sen. Ibach provided an overview of compact and how remediation of invasive riparian species protects states compliance.

Proponents

John Thorburn, manager of Tri-Basin NRD, testified on behalf of the Tri-Basin NRD and the Nebraska Association of Resources Districts in support of LB 145.

Tri-Basin NRD is responsible for protecting the soil and water resources of Gosper, Phelps and Kearney counties in South-Central Nebraska. Our NRD helped organize both the Platte Valley Weed Management Area and the Twin Valleys Weed Management Area. NRD staff work with these entities, helping to identify areas that need treatment and contacting affected district landowners to secure their cooperation with Phragmites control efforts on their properties. We have also provided as much as $20,000 of our local funds annually for the past 15 years to support the Platte Valley Weed Management Area.

Thorburn noted he personally worked with former state senator Tom Carlson to develop LB 98 back in 2009. This act created the Noxious Weed and Invasive Species Assistance Fund, which is the subject of our discussions today. That fund was created to address a crisis. At the time, the Republican River below Harlan County Dam was choked with phragmites to such an extent that the weeds held up stream flows and caused lowland flooding. Phragmites was also expanding into the Platte River. Working with the Nebraska Department of Ag, we used state funds to leverage local contributions and got the Weed Management Areas, or WMAs, up and running. Within three years, we nearly eradicated Phragmites on the Republican River and cleared it from the main channels of the Platte as well.

Over the past 15 years, WMAs have received modest, but steady funding from several sources and have utilized those dollars extremely effectively, keeping invasive riparian plants under control in our river systems. Steady, predictable funding is key to effective management of invasive plants. This can't be an on again/off again process. Missing even one spray season could unravel the progress that we've achieved over the past 15 years. We don't expect the state to pay all the cost of managing invasive riparian plants, but we do need a reliable, predictable partner. He thanked Senator Ibach for introducing this bill. He also thanked the committee for consideration of this proposal and urged advancement to General File.

Letters were also submitted in support of the bill by Lyndon Vogt, Central Platte NRD, and by John Winkler, Papio Missouri River NRD.

Don Batie testified in support on behalf of Nebraska Farm Bureau and Ag Leaders Working Group. The state has been working to eradicate noxious weeds, but it is expensive and an ongoing battle. Sen. Hansen asked a question about property rights. Batie noted that noxious weed law requires property owners to control noxious weeds, if you don't, the county can control them and bill you for it.

Jon Cannon testified in support on behalf of the Nebraska Association of County Officials (NACO). He provided an overview of the Republican River compact noting that in 2010 Nebraska was sued for $71 million for not meeting compliance with compact flows, but that was reduced to $5 million, demonstrating the ROI. He noted this is a state issue, as evident by Nebraska being sued, not the counties.

Brent Meyer of Lancaster County testified in support on behalf of Weed Control Association, Lower Platte Weed Management Area and Lancaster County. He noted the issue is the responsibility of the state. Legislation creates strong partnerships between agencies, including local NRDs. All citizens benefit from the control of noxious weeds.

Mike Reed, Riparian Task Force Committee Chair and Douglas County Weed Superintendent, testified in support and provided several examples of noxious weed management successes statewide.

Katie Torpy testified in support on behalf of The Nature Conservancy. She noted that supporting proactive and collaborative approaches are key to addressing invasive weeds.

Todd Boller, Filmore County and Twin Valley Weed Management Area, testified in support. He outlined that even though funding was available, NDA did not release or distribute the funds, this limited the ability to secure other funds.

Jon Hansen testified in support on behalf of the Nebraska Farmers Union. His testimony reiterated that issues like compact compliance are state responsibility and obligation.

Opponents

There were no opponents to the bill. Letters were submitted for the record by 21 proponents and no opponents.

In closing, Sen. Ibach noted that these funds include cost-share for landowners. Sen. Ibach noted we jeopardize losing monetary help from neighbors if the state doesn't contribute. She noted counties and applicants are very prudent with funds and reiterated that stable and predictable funding is critical.

The committee reported no action on the measure.

LB 147 - Change provisions relating to approval and regulation of adding fluoride to the water supply of certain political subdivisions. Hansen.

The bill makes it permissible for a public or private entity to add fluoride to the water supply for human consumption in the amount and manner prescribed by the rules and regulations of the Department of Health and Human Services.

The Health and Human Services Committee held the hearing on LB 147 on March 12, 2025.

The hearing for LB 147 lasted nearly 3.5 hours; this is a condensed summary of the key discussions and testimonies.

Sen. Hansen introduced LB 147 to remove the state's mandate requiring fluoride in public water supplies, arguing that fluoridation should be a local choice. Since the mandate began in 2008, 49 of 61 Nebraska communities have voted to remove fluoride, reflecting widespread opposition to forced consumption of what many view as medication.

While fluoride occurs naturally, the synthetic form added to water is classified as an acid. Research from experts, including Dr. Lemphaear and studies from the CDC and EPA, suggest potential risks to brain development, particularly in infants and children, who retain more fluoride than adults. Studies also indicate a link between fluoride exposure and lower IQ levels.

Fluoride is effective in cavity prevention, but topical application through toothpaste is a safer, more targeted method than ingestion. The rise in fluorosis further supports concerns about overexposure. LB 147 does not ban fluoride—communities can still choose to fluoridate—but it removes the mandate, ensuring decisions about water fluoridation are made locally rather than imposed statewide.

Proponents

Seven individuals testified in support of LB 147 arguing that Nebraska should end mandatory water fluoridation, aligning with the growing national movement against it. Supporters of LB 147 cited health risks, lack of proven benefits, and concerns over personal choice and financial burdens. Stuart Cooper (Fluoride Action Network) noted that Nebraska is one of only 12 states still requiring fluoridation despite studies linking fluoride to neurotoxicity and increased dental fluorosis.

Allie Bush (Nebraska Against Government Overreach) framed fluoridation as forced medication, advocating for local control. Lisa Hatterman (Concerned Parent) and Dianne Plock (public health advocate) raised concerns about fluoride's potential neurological effects, its role in pipe corrosion, and the costs to taxpayers.
Tracy Aksamit highlighted mixed research results on fluoridation's effectiveness, while Dr. Stacy Skold and Kendra White pointed to ethical concerns, financial motives behind fluoride use, and recent studies questioning its safety.

Collectively, proponents stress potential health risks, lack of conclusive benefits, financial concerns, and the right to personal choice in water fluoridation policy.

Opponents

Ten individuals testified in opposition of LB 147 arguing that water fluoridation is a proven, cost-effective public health measure that significantly reduces cavities, particularly for low-income families and children without regular dental care. Dr. Jessica Meeske and Dr. Scott Morrison (Nebraska Dental Association) emphasized its proven effectiveness, citing studies showing a 25% reduction in cavities with no credible evidence of harm at the recommended 0.7 mg/L level.

Dr. Timothy Tesmer (DHHS) and Dr. Ann Williamson (UNMC) dismissed concerns based on studies with excessive fluoride exposure, asserting that fluoridation in the U.S. remains safe and beneficial. Dr. Debra Esser (BCBS) and Dr. Stacie Pleiar linked poor dental health to broader health issues, highlighting increased infections and absenteeism in non-fluoridated communities.

Local studies presented by Charles Cone and Johnny Johnson demonstrated tangible benefits, including a dramatic drop in dental referrals after fluoridation began in Burwell and increased cavity rates in non-fluoridated areas of Alaska.

Opponents maintain that fluoridation is a science-backed public health measure that prevents costly dental procedures and reduces long-term health disparities.

In closing, Sen. Hansen reiterated that the evidence linking fluoride to health risks remains unchallenged by opponents, who prioritize cavity prevention over broader public health concerns. Studies from the National Institutes of Health indicate fluoride-related issues, with some research showing adverse effects even at the current 0.7 mg/L level.

He pointed out that if fluoride were essential, the 38 states without mandates would have implemented them—but they have not. Nebraska should reconsider its outdated requirement.

Letters were submitted for the record by 53 proponents, 105 opponents, and one neutral.

The committee reported no action on the measure.

LB 163 - Create the Office of Climate Action. Spivey.

The bill proposes to create the Office of Climate Action within the Department of Environment and Energy.

The office shall work with interested stakeholders in climate action, political subdivisions, and organizations supporting climate action across the state to enhance education and skills, provide technical support, and expand access to resources to support climate action. The office shall serve as a point of contact to assist with policies and programs dealing with climate action.

On or before July 1, 2026, the Office of Climate Action shall create a climate action plan that shall propose actions to:

(a) Manage the risks of climate change impacts on the state; and (b) Reduce the causes of climate change within the state.

On or before July 1 of each year, the Office of Climate Action shall file with the Clerk of the Legislature an annual report that details:

(a) The extent to which state legislation enacted the prior year supports, hinders, or affects climate action;
(b) The amount of federal dollars secured for climate action across this state;
(c) Any technical assistance provided by the Office of Climate Action to stakeholders, political subdivisions, and organizations;
(d) The number of times the Office of Climate Action collaborated with stakeholders, political subdivisions, and organizations;
(e) A synopsis of localized climate action plans and programs; and
(f) Any recommendation for additional climate action through investment or activities.

For purposes of the act, climate action is defined to mean any effort to combat climate change and its effects.

The Natural Resources Committee held the hearing for LB 163 on January 30, 2025.

Sen. Spivey opened the hearing by outlining main components of the bill, noting the Department of Environment and Energy would act as the quarterback, coordinating statewide climate activities. This would build on activities

the department is already doing. She noted that states with climate offices have been successful in securing federal dollars for projects.

During questioning, Sen. Spivey was asked about the fiscal note, she discussed that it included adding new jobs and totals $710,000. She noted that she talked to the department, and that they're already doing much of this climate work and suggested they could allocate the time of existing staff to this new program. She also noted that while she calls it an "office" in the bill, but she sees it within NDEE and they would refer to it as a "program."

Proponents

Kenneth Winston, Nebraska Power and Light, provided testimony in support. During his testimony he highlighted his concerns with climate change impacts across the state. He noted NDEE's ONE RED plan the state has received funding for has not been carried out yet, and suggests this bill would provide dedicated expertise in that area.

Mia Perales, an Environmental Engineering Student at UNL, testified in support. She shared with the committee about experiencing record heat every year and record disastrous events. She noted this bill is about protecting Nebraska youth and providing a safe environmental future. She suggested the office would create jobs for people and encourage youth to stay in the state.

Meghan Sittler, Audubon Great Plains, testified in support. She noted the Audubon is focused on preservation of birds and that climate change is significant threat to birds. This bill would provide for strategic work within NDEE.

John Hansen, Nebraska Farmers Union, testified in support. He noted that insurance companies are facing record losses and natural disasters are becoming more extreme and expensive. He noted the state needs to do a better, more focused job of bringing funds to Nebraska.

Opponents

There were no opponents.

Neutral

Jeff McCaslin with the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) testified in a neutral capacity. His testimony highlighted that ASHRAE would like to make themselves available for technical assistance as stakeholders and subject matter experts.

Sen. Spivey waived closing. Comments were submitted for the record by 57 proponents and 64 opponents.

The Committee reported no action on the measure.

LB 242 - Change the Property Tax Growth Limitation Act and the School District Property Tax Relief Act and change provisions relating to budget limitations, municipal occupation taxes, and property tax statements. Riepe.

Provisions of LB 242 were incorporated into LB 647e via AM 1202 on April 29, 2025. LB 647e was passed on May 28, 2025 and signed into law on June 4, 2025.

LB 309 - Adopt the Safe Battery Collection and Recycling Act. Hughes.

Provisions of LB 309 were incorporated into LB 36 via AM 635 on April 9, 2025. LB 36 was signed into law on May 20, 2025.

LB 393 - Eliminate obsolete transfers relating to the Cash Reserve Fund. Clements. Appropriations Priority.

The bill eliminates several obsolete Cash Reserve Fund transfers previously enacted. This includes the $574,500,000 from the Cash Reserve Fund to the Perkins County Canal Project Fund. The transfer from the Cash Reserve Fund to the Canal Project Fund occurred in FY 23-24.

The Appropriation Committee held the hearing on LB 393 on March 12, 2025.

Sen. Clements opened on the bill noting that it is a shell bill introduced to provide a contingency in the event that the Appropriations Committee needs an additional bill to carry out its budget recommendations.

Sen. Spivey asked if this is standard committee practice. Sen. Clements noted that many committees have a shell bill or two in case something comes up and then it can be amended into the shell bill.

There was no additional testimony.

The committee reported no action on the measure.

LB 403 - Create the Office of Grants and provide duties. Spivey.

The bill proposes to create the Office of Grants in the executive branch of state government. The office would consist of the Director of Grants, who shall be appointed by the Governor, and such other employees as are appointed by the Director of Grants to achieve the purposes of the office and for which adequate funding is available.

The Director of Grants shall have at least 10 years of experience in writing or managing federal grants and shall be selected after conducting a nationwide search.

The Office of Grants shall:

(a) Identify national grant programs, including grant programs of the federal government, that are available to state agencies, political subdivisions of this state, and private organizations located in this state; and

(b) Assist state agencies, political subdivisions of this state, and private organizations located in this state in identifying relevant national grant programs, applying for grant funding under such programs, and complying with such programs.

No later than July 1, 2026, the Office of Grants should be required to develop a statewide plan, to be updated annually, for maximizing the amount of grant funding received by state agencies, political subdivisions of this state, and private organizations located in this state under national grant programs, including grant programs of the federal government.

The Office of Grants shall electronically submit a report to the Legislature which includes:

(a) A summary of the statewide plan;
(b) An analysis of whether any state legislation passed during the most recently completed legislative session supports, hinders, or otherwise affects the ability to receive funding under national grant programs, including grant programs of the federal government;
(c) The number of state agencies, political subdivisions, and private organizations served by the office during the most recent calendar year; and
(d) The number of national grant awards received during the most recent calendar year by state agencies, political subdivisions, and private organizations as a result of services provided by the office and the total dollar amount of such grant awards.

The Government Committee held the hearing for LB 403 on February 13, 2025.

Sen. Spivey opened on the bill noting the office would apply for and coordinate federal and national grants. This bill creates no new taxes or mandates and local agencies can still go after their own grants. She noted the reason for the bill is to strengthen Nebraska's ability to compete for federal funding. She noted that Nebraska only ranks 46th per capita in grant awards – If Nebraska was just average per capita that would be $1.7 billion more dollars for the state. This would be an innovative revenue stream, and the office would easily pay for itself. Sen. Spivey noted that managing the compliance piece of a grant can be very cumbersome and having a professional that can manage that would show Nebraska can both secure the money and implement it successfully.

Proponents – There were no proponents.

Opponents

Nicole Fox testified in opposition on behalf of the Platte Institute. She noted that the federal government has an unstainable spending problem with much of those funds going to states through grant programs. She noted that the current administration is looking to cut excess spending and has put a freeze on outgoing funds.

Knowing that those funds can be frozen or withheld, the state should not be dependent on that money, and she cautioned that the State's budget relies too heavily on grants. She suggested that before bringing in more federal dollars, the state should consider contingency planning for the federal dollars it already receives in case they are withheld.

She cautioned against federal money, noting that it is not free, and many grants require a match of dollars when money is already tight. She noted grants that are a one-time spend are less risky and would caution the state to be aware of multi-year grants that require maintenance and are not guaranteed to be there.

Letters submitted for the record included four proponents, one opponent, and no neutral.

Sen. Spivey noted that the bill is meant to hire a person who has a strategic vision and can help streamline the grant process and maximize the grants Nebraska could potentially bring in. It is a missed opportunity not to leverage dollars from all sources and bring those back to Nebraska.

The committee reported no action on the measure.

LB 424 - Limit increases in property tax bills. Andersen.

The bill proposes that property tax bill for any parcel of real property shall not exceed the prior year's property tax bill by more than the allowable growth percentage. Allowable growth percentage is defined as the inflation rate or 3%.

The Revenue Committee held the hearing on LB 424 on February 27, 2025.

Sen. Bob Anderson opened on the bill noting he asked 11,000 residents their No.1 priority for him upon being elected and the No. 1 response was property taxes. High property taxes has led people to sell homes or move out of the state, and his goal is to provide relief for homeowners. He provided examples from other states (Florida, Iowa and Oregon) that cap property tax growth. The goal of the bill is to create predictability for the homeowner. There were various questions from the committee about how the bill would work, why it was drafted a specific way, etc.

Proponents

Doug Kagan testified in support on behalf of Nebraska Taxpayers for Freedom. He provided examples from various states about how they limit property taxes. He suggested using the Midwest CPI. He noted we have an affordable housing crisis with buyers being priced out of the market. He discussed the economics of property taxes and how it limits small businesses and investments in the state.

Alan Seybert testified in support on behalf of Nebraska Taxpayers for Freedom. He noted that property owners reported 10-20% increases in their property taxes, while counties only reported on average about 6% increases. Political subdivisions need to be conscientious about setting their levees. Douglas County said they cut their levee (less than 1%), but they received 10% more in funding due to evaluations.

Opponents

Dean Edson provided testimony in opposition on behalf of the Nebraska Association of Resources Districts.

Dean stated up front that we are not opposed to property tax reform. The natural resources districts are very concerned about the heavy reliance on property taxes to fund schools and other political subdivisions.

The tasks before you are daunting and complex. We support reforms that reduce property tax reliance and provide adequate funding for both rural and urban areas. We believe you are on the right path to address school financing.

Local NRD boards have worked hard to keep the NRD taxes low and find other sources of revenue. However, this new proposed restriction not only hampers our efforts to protect natural resources, but it also sends a signal to never reduce taxes.

Dean attached a graph for the NRD valuation changes and tax collections over the past 10 years.

Three times in the last 10 years we have had tax levy increases close to the valuation increase. The other years, the rates were below the valuation increase.

What I can't tell you is that the range of valuations increases to get to the average, because we don't get that information. Let's pick Fiscal Year 18-19 as an example, where valuations went up 1.7% statewide and the average levy went down 3%.

If there were parcels that went up 10%, but the average for all parcels was 1.7%, our average decreased levy of 3% would still end up as a tax increase on that parcel, but not for most of the parcels.

The NRDs budget is a little different than other political subdivisions. We are closer to zero-based budgets as we build flood control projects, develop water augmentation programs, and develop cost share for specific projects. When these projects are completed and paid for the tax collections go back down. That is why the pattern of levy rates does not correlate with the valuation increases.

Local boards want the ability to lower the rates when they don't need the taxes and raise them in the years that we do need them. What this bill would do to the NRDs is to make sure that they take the maximum amount every year, which is the wrong incentive.

The NRDs work with local citizens to develop workable solutions to complex issues. As the NRDs navigate the complexities of water management, we ask the legislature to consider the on-going commitment to keep Nebraska #1 in water management and efficiency. The current and evolving demands necessitate a thoughtful and collaborative approach to spending controls. LB 424 does not meet these requirements.

Jon Cannon testified in opposition on behalf of Nebraska Association of County Officials. He noted there are equalization concerns due to uniformity clause. He noted per the Nebraska constitution; counties must use a uniform procedure and rate in how properties are evaluated. He noted this bill has a cap on an individual parcel and he demonstrated how that could potentially be an issue due to market changes. He noted that as values rise and fall, the fair share that people pay is based on that.

Sen. Jacobson asked about differing CPI rates. Cannon noted there is a distinct difference between rural and urban rates. He also explained why agriculture land is valued differently than other property.

Lynn Rex testified in opposition on behalf of the League of Municipalities. She noted that with LB 34 this new bill would essentially be a cap on a cap. She emphasized the need to establish a single cap rather than laying one cap on top of another.

Jason Buckingham testified in opposition on behalf of Ralston Public Schools and the Greater Nebraska School Association. He noted the bill creates issues with TEEOSA calculations. The passage of the bill without a companion bill to adjust the TEEOSA formula would penalize school districts.

Gary Kubicek testified in opposition on behalf of the Norris School Board of Nebraska Association of School Boards. He noted this legislation places a spending limit on schools and would impede a school board from meeting the needs of their district and communities. He added that the bill is overly restrictive and would do more harm than good. He noted that the local school boards should be able to make their own fiscal decisions and stand accountable to local taxpayers.

Sen. Anderson closed on the bill highlighting the goal is to make the taxes more predictable for homeowners. He addressed TEEOSA by noting that the cap would provide stability and we shouldn't punish people for owning a home.

Letters submitted for the record included 39 proponents and 9 opponents.

The Committee reported no action on the measure.

LB 546e - Change provisions relating to emergency proclamations for disasters, emergencies, and civil defense emergencies made by the Governor. Rountree.

The bill allows the Governor to issue an emergency proclamation for multiple counties when requested by any political subdivision of the state that supplies electricity, natural gas, water, or sewer service.

The request would be for any disaster, emergency, or civil defense emergency. The request may be made directly to the Governor without first requesting such an emergency proclamation from a county or any other governmental entity.

The Government Committee held the hearing on LB 546e on March 12, 2025.

Sen. Roundtree opened on the bill highlighting that the effort is aimed at reducing disaster response times. The goal is to streamline the communication that takes place. The bill was brought by OPPD as a result of ice jams on the Missouri River.

Proponents

Seth Voyles, OPPD, testified in support noting this is a follow up to LB 1277 brought last year. He outlined the bill is intended to address specific incidents that don't necessarily have local damages, such as ice jamming impacting a power plant. The bill does not change that local resources need to be fully utilized before state resources are deployed. Voyles acknowledged issues with the language and highlighted the need to work on new language over the interim that identifies specific scenarios.

Opponents

Craig Strong, Nebraska National Guard, and Nebraska Emergency Management Agency, testified in opposition highlighting that the bill is unnecessary and potentially disruptive. The bill would bypass existing hierarchy and usurp the Governor's authority. The bill would result in the Governor receiving requests from multiple political subdivisions which could cause potentially hundreds of requests being submitted without first seeking local coordination.

Ervin Portis, Nebraska Emergency Management Agency, testified in opposition noting the bill would be contrary to the Federal Stafford Act, and the state must follow the act. The Governor has the authority to declare an emergency when an interruption poses a hardship under existing law. Bypassing local governments could negatively impact community lifelines. Portis reiterated that this measure could result in hundreds of additional disaster declaration requests without first seeking local resources.

Amanda Burki, Lancaster County, testified in opposition highlighting the bill bypasses local emergency management. She noted the idea that a political subdivision doesn't have the time to check with local emergency managers is irrational. Burki suggested utility companies have not attempted to make improvements to this bill. She suggested that a perceived emergency, such as low water at a power plant, is not a true emergency, but rather a lack of contingency planning.

Whitney Shipley, Douglas County Emergency Management Agency, testified in opposition on her own behalf emphasizing that the 1988 Stafford Act provides a good framework and bypassing it raises concerns. Local officials are best positioned to assess resource needs and bypassing them could delay the response efforts. Shipley suggested public utilities need robust continuity plans to address disasters and saw no benefit to this legislation other than convenience of utility providers. She noted many of the things suggested as examples would not be eligible for proclamation, because they're only company emergencies.

Beth Bazayn-Ferrel, NACO, testified in opposition and highlighted that there are plans and relationships in place that would be bypassed if this bill was passed.

Sen. Roundtree closed by noting that OPPD would like to request to table the bill and continue to collaborate with partners on the language.

Letters were submitted for the record by one proponent and four opponents.

The committee reported no action on the measure.

LB 565e - Provide and change requirements relating to agency guidance documents. Quick.

The bill proposes that any guidance documents prepared by state agencies for regulations shall include a description, including an estimated quantification, of the fiscal impact on state agencies, political subdivisions, and regulated persons or businesses.

The bill also adds that an agency shall not issue guidance documents on or after July 1, 2025, and before July 1, 2027, unless specifically required by amendments to existing federal rules or to become compliant with new federal rules and regulations.

The guidance document shall not impose greater regulations on Nebraska residents or businesses than federal requirements.

Finally, the bill proposes that all guidance documents and provider bulletins issued on or after July 1, 2022, and before July 1, 2025, are revoked pending a formal rulemaking process as provided in the Administrative Procedure Act unless explicitly required for federal compliance.

The Government Committee held the hearing for LB 565e on February 12, 2025.

Sen. Quick opened by noting it is intended to address concerns raised by intellectual and development disability providers. State regulations at DHHS are burdening and imposing costly administrative requirements. The state didn't use the proper rule making process and didn't provide funding to implement when establishing the regulations.

He noted that AM 239 works to align language with the original intentions. Working in additional amendments that would provide additional transparency for DHHS. The bill may need further work as it came to his attention that it impacts other agencies.

Proponents

Justin Solomon testified in support on behalf of Integrated Life Choices. He Provided real world examples of how DHHS has burdensome, unnecessary regulations have been costly and how the bill will provide regulatory relief to industry.

Alana Schriver, Nebraska Association of Service Providers, testified in support. She noted a national survey showed 90% of providers have staffing challenges and people spend years on a list waiting for services, and instead of helping, Nebraska is burdening providers. The DHHS Provider Bulletin requirements are a burden to staff.

Edison McDonald testified in support on behalf of ARC Nebraska. He provided additional context to the scope of impact faced by community based service providers.

Laura Ebke testified in support on behalf of the Platte Institute. She noted the state chamber also supports the bill. Google definitions of guidance documents are written statements and not legally binding, however they're being used as regulatory documents by the state. Ebke suggested the committee add the measure to a larger committee regulatory package.

Opponents

Tim Texel, Nebraska Power Review Board, testified in opposition. Texel discussed that they had concern with the bill as drafted and guidance documents being revoked. He further noted that if an amendment limits the measure to specific developmental disability services, than they'd be okay. A lot of agencies use guidance documents as interactive documents and they are useful tools.

Jaime Hegr, Nebraska DHHS, testified in opposition. She noted guidance documents provide important information on agency intentions. A guidance document is not a regulation and does not have the force of law.

Matthew Ahern, Nebraska DHHS - Medicaid Division, testified in opposition. The inability to use guidance documents and provider bulletins would limit ability to administer Medicaid program. He noted details and expectations are not always provided in law. Formal regulation process would require too much time and not be responsive enough to keep compliance with federal laws and federal funding requirements.

Darrin Schulz, Nebraska Attorney General's Office, testified in opposition. Schulz noted he has not reviewed the amendment, but vacating all guidance documents for all agencies would not be advised. Guidance documents are advisory in nature and function to inform the public – thus they provide public and agency predictability.

Neutral

One individual provided testimony in a neutral capacity.

Letters were submitted for the record included 27 proponents, four opponents, and one neutral.

The committee reported no action on the measure.

LB 575e - Change provisions relating to the Property Tax Request Act and property tax levy limits. Hallstrom.

Provisions amended into LB 803 via AM 2651 which was passed and approved by Governor on April 16, 2026 – See pages 21-24.

The Revenue Committee reported LB 575 to General File on March 17, 2026, with committee amendment, AM 1977, following a 7-0 vote. The bill has also been included in the Revenue Committee Priority bill, LB 803, which was also advanced out of committee this week. That bill includes provisions of three more revenue bills.

The original bill proposed that if the total taxable valuation of property in a political subdivision exceeds the total taxable valuation from the prior year, then such political subdivision's levy shall be no more than the levy necessary to raise the exact same amount of property taxes as was raised by such political subdivision in the prior year.

AM 1977 is a white copy amendment which strikes the original sections of LB 575 and replaces them with the following new provisions.

The bill eliminates the Property Tax Request Act, which is commonly referred to as the "pink postcard" that was mailed to taxpayers if the city, county or school approved a budget that increased property taxes. These hearings were usually after the action had been taken on the local budget.

It is being replaced by a new proposal to require counties, cities, and school districts to levy a tax on property within a county to hold a joint public hearing on the topic of budget process and preliminary information on budget impacts. As is with the "pink postcard" the changes only impact school, cities and counties, not natural resources districts.

When a property owner has a valuation change, the notice will display a column for the prior tax year and the current tax year. Under the column for the prior tax year, the notice shall display the valuation of the parcel in the prior tax year, the amount each city, county, and school district levied against such parcel in the prior tax year, and the total amount of taxes levied against such parcel in the prior tax year by the city, county, and school district.

Under the column for the current tax year, the notice shall display the valuation of the parcel in the current tax year and the total amount of taxes that would be levied against such parcel by each city, county, and school district using the previous year's rate of levy.

The notice shall include the date of convening of the county board of equalization and the dates for filing a protest. The notice shall also state the following:

The time and place of the budget hearings will be reported to the county assessor by each political subdivision on or before June 15.

On or before June 15, the county assessor shall send the Property Tax Administrator a report which includes:

(c) The name and address of every person receiving the notice.

(d) The county's website address where the following information shall be posted: (i) The time and place of the first budget hearing for the county and each city and school district authorized to levy a tax within the county; and (ii) The time and place of the joint public hearing held.

On or before June 25, the Department of Revenue shall send each person listed in the report a postcard containing information about the website address where more information can be found about budget hearings.

Each county and each city or school district levying a tax on property within a county shall participate in a joint public hearing. Each shall designate one representative to attend the joint public hearing on behalf of the political subdivision. If a political subdivision includes area in more than one county, the political subdivision shall be deemed to be within the county in which the political subdivision's principal headquarters are located.

At such hearing, there shall be no items on the agenda other than discussion on each political subdivision's budget process and preliminary information on relevant data that would impact the political subdivision's budget in the current year.

At least one voting member of the governing body of each participating political subdivision shall attend the joint public hearing. The county assessor of the county in which the joint public hearing is being held shall also attend

the hearing. The presence of a quorum or the participation of elected officials at the joint public hearing does not constitute a meeting.

The joint public hearing shall be held on or after July 1 and prior to July 15 and before any of the participating political subdivisions file their adopted budget statement. The joint public hearing shall be held after 6 p.m. local time on the relevant date.

The joint public hearing shall be organized by the county clerk or his or her designee. At the joint public hearing, the designated representative of each political subdivision shall give a brief presentation on the budget process, how the budget affects the property tax request, information about the prior year's budget and property tax request, and any preliminary information about factors that may affect the current year's budget as may be known to the political subdivision.

The public will be allowed to speak at the hearing.

The original bill included a provision that a political subdivision may exceed the levy limit provided upon the affirmative vote of at least two-thirds of the members of the governing body of such political subdivision. The limits in the original bill froze taxes at the previous year's level.

This has been modified to require a two-thirds majority vote by the governing body of a political subdivision when it sets a budget to set its property tax request at an amount that exceeds the prior year's property tax request. This applies to a county, city, village, school district, learning community, sanitary and improvement district, natural resources district, educational service unit, or community college.

The rest of the bills included in LB 803 are:

- LB 938 - Creates the First-Time Home Buyer Savings Account Act, which allows individuals or couples to contribute to a future purchase of a primary residence and to deduct such contributions from their federal adjusted gross income (AGI). Contributions are subject to annual and total contribution limits. There is also an annual reporting requirement, which the Department of Revenue oversees.
- LB 1116 - Amends sections of the Nebraska Revised Statutes to allow second class cities and villages to use funds under the Sports Arena Facility Financing Assistance Act for ten years, up from five years; and changes certain provisions about review of applications by the board and quorum for actions taken by the board under the Act.

- LB 1154 - Amends the Property Tax Growth Limitation Act by removing a political subdivision's ability to subtract the prior year's unused property tax request authority from the current year's preliminary property tax request authority. The result is that the unused property tax request authority is included in the calculation for allowable growth and inflation. This applies to cities, counties and schools.

The Revenue Committee held the hearing on LB 575 on February 20th, 2025.

Sen. Hallstrom opened by outlining provisions of the bill. His opening focused on efforts to change the date for the postcards and wanting to ensure meaningful input in the budget process and not after things are already decided. He mentioned he recognizes that NRD budgets are a little different.

Proponents

Doug Kagan, Nebraska Taxpayers for Freedom, testified in support.

Nicole Fox, Platte Institute, testified in support. The bill would enhance the truth in taxation law by improving upon caps and providing greater transparency. Citizen buy-in and greater transparency are needed. The truth in taxation weaknesses is that joint public hearings are held too late in the process and after budgetary decisions have already been made. The bill will improve this process by moving those hearings earlier. Property tax increases occur automatically, and increases should only occur if entity's vote to raise the rate.

Bruce Bohrer, Lincoln Chamber, testified in support and noted there are many issues around local property taxes, however the issue that irks citizens the most is the idea of a valuation change and no change in the levy being spun as no tax increase. He gave credit to local boards that engage the public in budgeting process, but the bill is meant to get to the issue and processes that boost confidence in government. He discussed that this bill was a topic of discussion from the property tax working group he served on that was set up by the governor.

Opponents

Opponents included representatives from NACO, Nebraska Association of School Boards, Nebraska Rural Schools, League of Municipalities, and several other local political subdivisions.

Dean Edson presented testimony in opposition on behalf of the Nebraska Association of Resources Districts.

We are not opposed to property tax reform. The natural resources districts are very concerned about the heavy reliance on property taxes to fund schools and other political subdivisions.

The tasks before you are daunting and complex. We support reforms that reduce property tax reliance and provide adequate funding for both rural and urban areas. We believe you are on the right path to address school financing.

Local NRD boards have worked hard to keep the NRD taxes low and find other sources of revenue. However, this new proposed restriction not only hampers our efforts to protect natural resources, but it also sends a signal to never reduce taxes.

Attached to the testimony was a graph for the Central Platte NRD of their past 10 years of property tax collections. Note the upward trend until FY 2015-16, then a downward trend until FY 22-23.

Here is what causes this. Central Platte is in the Platte River Recovery area and had an obligation imposed on it by the state to come up with projects that will increase flows to the Platte River. The first increment had to be in place by 2019. They finished the projects in 2016 and lowered their collections from the high of just over $6 million in FY 15-16 to $4 million in FY 21-22.

Now the second increment targets need to be in place by 2029. You will note their collections are starting to increase to pay for the new projects.

If this bill was in place back in 2015, the incentive would be to keep the collection at the $6 million level and not decrease them as the levy limit be no more than the levy needed to raise the same amount of property tax revenue as was raised in the previous tax year.

If this bill was in place for FY 21-22, they could not get back to a level to pay for new projects.

The other districts in the Platte River recovery area – North Platte, South Platte, Twin Platte and Tri-Basin NRD all had similar patterns in tax collection. All peaked around 2016 when they got their projects in place, then lowered them. Now they are starting to trend up to pay for the next increment.

The NRDs work with local citizens to develop workable solutions to complex issues. As the NRDs navigate the complexities of water management, we ask the legislature to consider the on-going commitment to keep Nebraska #1 in water management and efficiency. The current and evolving demands necessitate a thoughtful and collaborative approach to spending controls. LB 575 does not meet these requirements.

LB 579 - Prohibit charging a fee for public records requests by members of the Legislature. M. Cavanaugh.

The bill prohibits charging a fee for public records requests by members of the Legislature.

The Executive Board held the hearing on LB 579 on February 18, 2025.

The committee reported no action on the measure.

LB 607 - Adopt the Environmental Stewardship of Batteries Act, the Extended Producer Responsibility Data Collection Act, and the Minimum Recycled Content Act, and change provisions relating to the Integrated Solid Waste Management Act, the Environmental Protection Act, and the Waste Reduction and Recycling Incentive Fund. Bostar.

The bill creates the Environmental Stewardship of Batteries Act to create a dedicated battery stewardship program. The bill proposes to provide a recycling program for certain batteries. A similar bill on battery recycling, LB 309, was incorporated into LB 36 via AM 635 on April 9, 2025. LB 36 was signed into law on May 20, 2025.

The bill allows a Battery Stewardship Organization to coordinate the battery recycling program. The organization is defined to mean a producer that directly implements a battery stewardship plan required under the Environmental Stewardship of Batteries Act or a nonprofit organization designated by a producer or group of producers to implement a battery stewardship plan required under the act.

Covered battery means a portable battery or, beginning January 1, 2029, a medium format battery.

A covered battery does not include:

1. A battery contained within a medical device that is not designed and marketed for sale or resale principally to consumers for personal use;
2. A battery that contains an electrolyte as a free liquid;
3. A lead acid battery weighing greater than eleven pounds; and
4. A battery in a battery-containing product that is not intended or designed to be easily removable from the battery-containing product

Large format battery – Defined as a rechargeable battery that weighs more than 25 pounds or has a rating of more than 2,000 watt-hours.

Medium format battery – Defined as a rechargeable battery, weighing more than 11 pounds or having a rating of more than 300 watt-hours. The definition also includes primary batteries weighing more than 4.4 pounds, but not more than 25 pounds.

Primary battery -- Defined as a battery that is not capable of being recharged.

Beginning January 1, 2027, each producer selling, making available for sale, or distributing covered batteries or battery-containing products in or into the State of Nebraska shall participate in an approved Nebraska state battery stewardship plan through participation in and appropriate funding of a battery stewardship organization; and

A producer that does not participate in a battery stewardship organization and battery stewardship plan may not sell covered batteries or battery-containing products covered by the Environmental Stewardship of Batteries Act in or into Nebraska.

Beginning July 1, 2027, for portable batteries, and July 1, 2029, for medium format batteries, a retailer may not sell, offer for sale, distribute, or otherwise make available for sale a covered battery or battery-containing product unless the producer of the covered battery or battery-containing product certifies to the retailer that the producer participates in a battery stewardship organization whose plan has been approved by the department.

Retailers of covered batteries or battery-containing products are not required to make retail locations available to serve as collection sites for a stewardship program operated by a battery stewardship organization.

A retailer may not sell, offer for sale, distribute, or otherwise make available for sale covered batteries, unless those batteries are marked consistently with the requirements of this act. A producer of a battery-containing product containing a covered battery shall certify to the retailers of their product that the battery contained in the battery-containing product is marked consistently with the requirements of this act.

The bill also expands grants from the Waste Reduction and Recycling Incentive Fund to private businesses for the purposes of planning and implementing facilities to further the goals of the Integrated Solid Waste Management Act. Current grants can only go to counties, municipalities and agencies.

The Natural Resources Committee held the hearing on LB 607 on February 27, 2025.

In opening, Sen. Bostar described the bill as aiming to enhance Nebraska's recycling efforts through a comprehensive battery stewardship program. This legislation strengthens our economy while addressing environmental concerns by reducing waste and pollution.

LB 607 establishes a modern framework for battery recycling, ensuring the safe and responsible management of used batteries. Improperly handled batteries pose significant hazards, including fire risks. This act implements statewide stewardship measures to mitigate these dangers and promote safer disposal practices.

Nebraska should not be left behind—25 other states have enacted similar recycling provisions. This bill aligns Nebraska with proven best practices, expanding economic opportunities while protecting public health and the environment.

The legislation also introduces extended producer responsibility requirements, allowing for better data collection and analysis of waste generation. This data-driven approach will provide policymakers with critical insights into Nebraska's recycling strengths and areas for improvement.

While work on an amendment is ongoing, adjustments are being made to incorporate feedback and refine the bill's provisions.

Proponents

Marcus Branstad, representing the American Chemistry Council, testified in support of LB 607, particularly its first section on recycling technology definitions. The bill clarifies regulations for facilities using these technologies in manufacturing. If passed, Nebraska would be the 26th state to recognize these technologies.

These plants, which remanufacture post-use plastics into new products, are not sorting facilities and are not subject to traditional siting rules. Many Midwestern states have already passed similar laws, showing broad support. LB 607 would attract investment, boost economic growth, and promote sustainable manufacturing innovation in Nebraska.

Jeffrey Wooster, a chemical engineer, testified in support of the bill, emphasizing his 15-year commitment to advancing plastic recycling. He highlighted that expanding recycling depends on investment in new technologies and infrastructure, with businesses playing a key role in driving progress.

Wooster stressed the need for openness to new ideas in reprocessing and repurposing materials. While challenges exist, they are solvable. Supporting this bill will foster innovation, attract investment, and help move towards a more sustainable, circular economy for plastics

Andrea Albersheim, Associate Director of the American Chemistry Council, testified in support of LB 607, addressing misconceptions about advanced recycling technologies. These technologies do not burn or incinerate materials; instead, they preserve molecular structures to create new products. There is a strong business incentive to maximize material recovery and reuse.

These facilities are heavily regulated and do not fall under Title V of the Clean Air Act due to their low emissions. Advanced recycling is especially effective for mixed plastics that traditional methods cannot process. To date, 12 facilities have diverted 1 billion pounds of plastic from landfills, showcasing their real-world impact.

Supporting this bill will drive innovation, reduce landfill waste, and promote a circular economy for plastics.

Dale Gubbels, representing First Star Fiber, Nebraska's largest material recovery facility, testified in support of LB 607. The facility employs 100 people and diverts 100,000 tons of material from landfills annually. Through

programs like Hefty Renew, it recycles non-traditional plastics such as straws and bags into products like plastic lumber and feedstock for manufacturers.

With landfill fees rising and closures looming, Gubbels stressed the importance of proactive recycling solutions for a sustainable future. He also highlighted safety concerns, noting three fires caused by improperly discarded lithium batteries, emphasizing the need for better battery recycling programs.

John Hansen, President of the Nebraska Farmers Union, testified in support of LB 607, advocating for structural solutions to recycling challenges. He highlighted the difficulty of efficiently collecting and reusing agricultural plastics and stressed the importance of proactive efforts to reduce long-term costs. Hansen emphasized the need to rethink product packaging and prioritize recycling and reuse.

He also discussed the Union's work with Midwest companies focused on recycling wind turbine blades, aiming to establish a Nebraska satellite location. Supporting this bill will create practical recycling solutions, reduce waste, and open new economic opportunities for the state.

Opponents

Blair McDonald, representing the Nebraska Beverage Association, testified in opposition to LB 607, specifically the extended producer data collection provisions. He argued that the requirement is an unfunded mandate that duplicates state-level efforts already in progress.

The state is currently updating recycling data through an ongoing study, with a final report expected in fall 2026. The Association is committed to reducing packaging waste through initiatives like the Every Bottle Back campaign, aimed at increasing recycling of plastic bottles and aluminum cans.

While neutral on the mechanical recycling provisions, McDonald urged careful consideration of the data collection requirements to avoid unnecessary duplication and costs.

Andrew Hackman, representing Ameripen, testified in opposition to LB 607's Extended Producer Responsibility (EPR) and recycled content provisions, but is neutral on the advanced recycling provisions. Hackman noted that EPR, adopted by only five states, has not led to significant recycling improvements. He suggested a needs assessment would better address gaps in Nebraska's recycling infrastructure.

He also emphasized the need for consistent definitions across states to avoid disruptions in supply chains. Hackman expressed concerns about the rapid escalation of the recycled content mandate to 30%, which could create supply chain challenges. Ameripen is open to discussing amendments to improve the bill.

Joey Adlermaiw, representing Nebraska members of the Recycled Materials Association, testified in opposition to LB 607, expressing concerns about the new definition for chemical recycling. The bill exempts post-use plastics only if processed in certain ways, raising issues about how recyclable materials are classified and potential unintended consequences for the broader recycling industry.

While supporting chemical recycling, Adlermaiw emphasized it should not undermine existing methods. Without revisions to ensure fairness, the Association cannot support the bill.

Rich Otto, representing the Nebraska Retail Federation and Nebraska Hospitality Association, echoed concerns from previous testifiers. While acknowledging the need to address lithium battery waste, he pointed out that car batteries are already recycled at a 99% rate and should be excluded from this program.

Otto also raised concerns about the collection process and the lack of clarity on how the program will be implemented in Nebraska, given limited information on similar programs in other states. He urged the development of a detailed framework to ensure proper oversight and management of the battery stewardship initiative.

Neutral

Kent Holm, Environmental Services Director of Douglas County, testified in a neutral capacity, expressing full support for improving recycling in Nebraska. He noted that the Nebraska Department of Environment and Energy (NDEE) is working on a statewide waste characterization, with results expected next year, to better understand waste disposal and the resource value of materials.

Holm emphasized the importance of measurement in waste management and highlighted the need for a review of the Nebraska Integrated Solid Waste Management Act. He also suggested that an Extended Producer Responsibility (EPR) program could incentivize the creation of more recycled products and help address property tax challenges.

Allison Kustic, from the State Government Association of APR, testified neutrally, emphasizing the economic and environmental benefits of recycling. Her members recycle 5 billion pounds of plastic annually by purchasing, sorting, washing, and grinding plastic containers to create new products.
Nebraska ranks among the worst states in recycling, and this program could support U.S. manufacturing by addressing that gap. The waste collection study, a landfill audit, will provide valuable data to improve recycling operations. While more work is needed on the bill's language, Kustic believes it offers significant economic and environmental benefits.

In closing, Sen. Bostar suggested this is a comprehensive piece of legislation because recycling is a multifaceted issue that requires our attention. The status quo is not working, and while there are areas that need to be fixed and changed, there is also significant opportunity here. Sen. Bostar expressed hope we can all work together and engage on this topic.

Sen. Bostar noted we've received a lot of valuable feedback, and recommended first reviewing it carefully to see what we can agree on and where we need to make revisions. From there, we can prioritize the amendments and focus on what is closest to agreement while identifying areas that need further work.

Letters were submitted for the record by 22 proponents and five opponents.

The Committee reported no action on the bill.

LB 638e - Change provisions of the Nitrogen Reduction Incentive Act. Ibach.

The bill changes funding for the Nitrogen Reduction Incentive Act that was passed last year. The act makes payments to producers who reduce nitrogen applied to their fields by the lesser of 40 pounds per acre for nitrogen or 15 percent.

The bill proposes that prior to the application deadline for fiscal year 2025-26, the Department of Natural Resources shall apply for a grant of $25 million from the Nebraska Environmental Trust Fund, to be paid out in five annual installments of $5 million.

The purposes listed in the grant application shall be consistent with the uses of the Nitrogen Reduction Incentive Cash Fund.

The Department of Natural Resources shall establish a subaccount within the Nitrogen Reduction Incentive Cash Fund for the accounting of all money received as a grant from the Nebraska Environmental Trust Fund. Interest earned in the subaccount at the end of each month shall be transferred to the NET Fund.

The Agriculture Committee held the hearing on LB 638e on February 25, 2025.

Sen. Ibach opened by providing an overview of LB 638, highlighting how it builds on the foundation of last sessions LB 1368. She noted the goal is to take a proactive approach, encouraging farmers to adopt efficient and sustainable agricultural practices, including the use of biological products.

Sen. Ibach expressed how thankful she was for the efforts of NeDNR and NRDs to quickly implement the incentive program within a short eight months. The plan was to pass LB 1368, establish the program, and secure initial funding, with the intention of seeking a more substantial investment this year. Last year, demand for funding significantly exceeded available resources.

LB 638 proposes $25 million in funding over the next five years, initially intended to come from the NET. An amendment has been suggested to instead use the Water Resources Cash Fund (WRCF), though Sen. Ibach noted it was brought to her attention that WRCF dollars may already be obligated. Despite this, conversations about how to fund the program are ongoing.

Additionally, discussions are underway with private companies to explore broader opportunities. A long-term commitment to this initiative will send a strong message to private sector partners and agricultural producers.

Sen. Ibach noted this program is not meant to be permanent. Once producers experience the benefits of these practices firsthand, they are expected to continue using them independently.

Sen. Raybould expressed support for the program but voiced concerns about drawing funds from the NET. Sen. Ibach responded, emphasizing that the Trust's mission is to promote clean air and water, aligning with the goals of this legislation.

Proponents

NARD Executive Director Dean Edson testified in support on behalf of NARD with a request for a recommended amendment to assist with implementation. The committee was provided a one-page summary of the first year of the program.

The NRDs worked with the Nebraska Department of Natural Resources, the industry and individual producers to develop guidelines for the program. The final rules did not get done until late fall, so we did not have a lot of time to promote the program. Nevertheless, the demand exceeded the available funding by just shy of $1 million.

There were 1,137 applications to enroll 156,143.59 acres in the first year. The breakdown is as follows:

- Priority A - 60,857.64 acres. These are areas of elevated nitrate levels with enhanced management including wellhead protection areas and irrigated lands in Phase II or higher areas. Most of these acres would have nitrates above 7.5 ppm and 10 ppm is the maximum containment level for nitrates.
- Priority B - 62,946.29 acres. These are areas that are not in Priority A and have acres that are certified to irrigate.
- Priority C – 32,040.66 acres. These are all other areas of the state not captured in Priority A or B Area designations.
- Priority B & C – 299 acres. This was a combination of both.

There were 10 districts that did not use their initial allocation. This totaled $176,789.66 that will be reallocated to the districts that had more demand. We don't have the final redistribution formula figured out yet, but we are working with NeDNR and the NRDs to figure out a way to redistribute the funds to get the maximum benefit.

The NRDs dedicated significant staff time working with individual producers, helping them compile their data and complete the necessary information. We also worked with crop consultants, local agronomists and nitrogen technology dealers to promote the program. Many also did radio, social media posts, newspaper ads and newsletters to promote the program. This took time away from other duties and was not reimbursed. We will also have time spent on compliance checks and issuing final payments.

We are not asking for reimbursement for the first year of the program but ask that you consider allowing a 10% administrative fee to assist with the cost of the program moving forward.

We anticipate more interest in the program in future years. We are looking forward to the future successes of the program to assist with the overall goals of reducing nitrate leaching into the groundwater.

Sen. Raybould provided praise for the work NRDs do and then asked the question isn't the potential cost savings enough incentive for farmers to apply less nitrate? Dean highlighted this is something we've been emphasizing with producers—helping them recognize the financial benefits of reducing over-application.

We are taking a two-pronged approach:

1. In Phase 2 and 3 areas, reporting requirements help us assess and refine necessary regulations. For example, in the Lower Niobrara NRD initial data showed that 91% of producers were over-applying fertilizer in 2015. After using this information for education, over-application rates have dropped to around 60% in 2023, showing progress.
2. Seventeen NRDs have partnered with the agri-business industry to develop *Producer Connect*, a mobile app with an economic component that helps producers track cost savings from reduced fertilizer use. However, more efforts will be needed beyond just these measures.

Sen. Raybould asked about the funding source needing to be NET? Dean discussed that while we fully support the Trust and its mission, budget constraints have put us in a difficult position. When appropriations are cut in half and then supplemented with NET funds, we face a tough choice—do we operate with 50% less funding or accept the money? We have had extensive discussions on how to navigate this challenge and explore alternative funding sources. Our goal is to make this program work while ensuring that we uphold the mission of NET and maintain the necessary resources to support our initiatives.

Sen. DeKay asked questions regarding examples of projects funded. Dean highlighted how applications included a variety of practices, not limited to the use of biologicals, technology such as Sentinel, nitrogen stabilizers, and just reducing application.

Sen. Kauth asked if there is a way to audit the soil or a process to ensure people do not cheat the program? Dean suggested NRDs work closely with producers and establish relationships locally, but ultimately we have to have some faith in producers.

Sen. Kauth inquired about if there may be a time when there needs to be a mandate? Dean discussed there is authority for that, especially in Phase IV areas; however, we don't want to have to use that. Instead NRDs want to work with producers to ensure we can avoid mandates and avoid federal regulations.

John Hansen, President of Nebraska Farmers Union, testified in support. He highlighted their support for the underlying bill last year for several reasons. As an organization, they have been actively engaged in providing education and outreach on nitrate contamination in the water supply. Their focus has been on finding ways to maintain agricultural yields while reducing nitrogen use and minimizing nitrate levels in water.

Hansen testified that the key challenge is changing behavior. The most effective approach is education and following that with incentives. A strong emphasis on incentives—the "carrot" approach—ensures that enforcement, or the "stick," is rarely needed.

Historically, many farmers apply more fertilizer than soil tests recommend, believing it is necessary to achieve high yields. However, the financial implications of over-application are often overlooked. By prioritizing education and targeted incentives, they can encourage producers to adopt more sustainable practices without compromising productivity.

Hansen noted that while they fully support this program and its goals, they believe funding should come from the WRCF rather than the NET.

Opponents

Jarel Vinbuska, Farmer in Sarpy County, testified in opposition. He told the committee he believes it is poor public policy to set a goal without properly funding it. If alternative fertilizers are effective, word will spread naturally, and adoption will occur without government intervention.

Kristal Stoner, Nebraska Audubon Society, testified in opposition. She note they are conflicted in their stance. As a conservation organization dedicated to protecting birds, they fully support the goal of this bill. However, their opposition stems from concerns about the proposed funding source.

Stoner highlighted that while this is a valuable program that deserves funding, they do not believe the NET is the appropriate funding source. Stoner testified that the Trust was established with a clear mission, and concentrating nearly all its funds into a single program is not a sound approach to conservation funding.

Sen. Kauth suggested there has been a lot of testimony supporting this program but opposing its funding source. NET has funds specifically set aside from the lottery for environmental issues and this seems to fit within the purposes so why shouldn't those funds be used?

Stoner answered with the concern is not about the program's merit but about maintaining the integrity of the Trust's funding process. If this proposal were submitted through the normal grant application process, it might not be ranked fairly compared to other projects. The NET was established to support a broad range of conservation efforts, and directing a significant portion of its funds to a single initiative is not the best approach to managing those resources.

Al Davis, Sierra Club, testified in opposition. He noted the Sierra Club is deeply concerned about nitrate contamination in Nebraska's water. They supported LB 1368, believing it would serve as a pilot program, but they oppose this new approach for several reasons.

First, it is premature to expand the program without clear evidence of its effectiveness. Additionally, given the state's current financial challenges, Nebraska must manage its fiscal resources carefully. They do not support using NET funds for this purpose.

Furthermore, this proposal seeks a five-year grant, which falls outside the Trust's established three-year grant guidelines. If the grant were to go through the standard ranking process, they would have fewer concerns.

Sen. Kauth followed up by asking Davis the same question and suggesting this program fits within the guidelines the Trust is setup to fund.

Neutral

Nebraska Environmental Trust Executive Director Karl Elmshaeuser testified as neutral. He noted several key considerations.

Awarding a $25 million grant would account for approximately 97% of available grant funds. While it would be paid for in four annual installments, the first payment would require an upfront transfer to the Nebraska Department of Natural Resources (NeDNR). Under the Nebraska Environmental Trust Act, any funds transferred to the Trust must still comply with the Act's requirements, raising concerns about whether this allocation aligns with those guidelines.

Currently, 44.5% of all lottery proceeds—about $26 million—go to the NET annually.

The Trust follows a competitive grant process: applications are first reviewed by the grants committee, then presented to the full board, sent back to the grants committee for scoring, and finally returned to the full board for a final decision. While this bill directs NeDNR to apply for funding, it does not guarantee an award.

At present, NET holds $70 million in total funds, with $66 million already committed through existing grant contracts or appropriations. This raises questions about the feasibility of allocating such a large sum within the constraints of our current funding obligations.

Sen. Ibach closed with thanking NARD for helping clarify how this program works. She provided a list of projects currently funded by the WRCF for the committee's reference.

Sen. Ibach noted one of the biggest concerns she has heard is that farmers already using sustainable practices aren't included in this program. However, this funding helps offset the costs for those willing to try new approaches and reduce reliance on harmful nitrates. It provides support for farmers investing in alternative solutions.

Regarding dryland farming, many time-released products work well in these applications. Ultimately, changing behavior requires incentives. The goal here is not to eliminate nitrogen fertilizer but to reduce its use and transition to less harmful alternatives. Letters were submitted for the record by three proponents, 25 opponents, and three neutral.

LB 673e - Change provisions relating to the Perkins County Canal Project and provide for a transfer from the Perkins County Canal Project Fund. Raybould.

The State Treasurer shall transfer $500 million from the Perkins County Canal Project Fund to the Water Sustainability Fund on or before June 30, 2025.

The Appropriations Committee accepted joint testimony on LB 673 and LB 674 on March 18, 2025.

See LB 674 below for hearing notes.

The committee reported no action on the measure.

LB 674e - Change provisions relating to the Perkins County Canal Project and provide for a transfer from the Perkins County Canal Project Fund. Raybould.

The bill requires the State Treasurer to make two transfers, totaling $500 million, out of the Perkins County Canal Fund as follows:

- Transfer $250 million to the General Fund on or before June 30, 2025.
- Transfer $250 million to the Water Sustainability Fund on or before June 30, 2025.

The Appropriations Committee accepted joint testimony on LB 673 and LB 674 on March 18, 2025.

Senator Raybould's opening testimony focused on concerns regarding the state's budget deficit and the $2.3 billion in water infrastructure needs across Nebraska. While she acknowledged the importance of the Perkins County Canal, she emphasized that her intent is not to derail the project but to reorder its construction priorities.

Sen. Raybould's primary argument was to prioritize the construction of a reservoir in Nebraska before moving forward with the canal, leveraging revenue from the reservoir to offset costs. She also raised concerns about the legal and permitting challenges ahead, suggesting that Nebraska has years to address these issues before land acquisition becomes necessary. Raybould cited a March 7, letter from an attorney representing Colorado landowners, arguing that the state currently lacks an immediate need for land purchases.

To address these concerns, she proposed five key action items:

1. Redirect a portion of canal funds to help reduce the budget deficit, emphasizing the committee's role in reviewing and allocating resources.
2. Allocate part of the funds to address broader water infrastructure needs across the state.
3. Build one of the proposed reservoirs first, as highlighted in a department video estimating $580 million in benefits, using its revenue to help fund future canal construction.
4. Utilize state bonding authority as a financing tool for the project.
5. Anticipate legal and permitting delays that could extend the timeline significantly, allowing time to assess additional infrastructure needs.

Raybould's testimony centered on a strategic and fiscally responsible approach to water management, ensuring that Nebraska maximizes the benefits of its water resources while addressing immediate budget concerns.

Opponents

Matthew Manning, Senior Project Engineer at NeDNR, testified in opposition, emphasizing that the Perkins County Canal is one of the most critical water resource projects in Nebraska's history. Without it, Nebraska remains vulnerable to Colorado's water management decisions.

While NeDNR appreciates past support for the project, Manning warned that these bills undermine that commitment. He stressed that signals matter—Colorado closely monitors Nebraska's actions and adjusts its legal and political strategies accordingly. Delays or changes in funding raise doubts among federal permitting agencies and Colorado officials about Nebraska's resolve to complete the canal. Despite these challenges, NeDNR remains fully committed, with consultants making steady progress on design, permitting well underway, and land acquisition actively progressing.

Manning underscored the severe economic and environmental consequences of abandoning the project. A cost-benefit analysis estimates $2 billion in overall benefits. Failure to assert Nebraska's compact rights would result in less water at the state line, impacting water users statewide. He argued that Nebraska should not be expected to subsidize Colorado's continued water development and urged legislators to maintain funding and forward momentum on the project.

Sen. Dorn: Is land acquisition proceeding as expected?
Manning: Yes, it is progressing as planned.

Sen. Clements asked has NeDNR prepared a response to the legal letter from Colorado's attorney, which Sen. Raybould distributed?
Manning replied not yet, but a response is in progress and should be completed later this week. He emphasized that Nebraska has a strong legal team working on this issue.

Sen. Prokop asked how much has been allocated to legal fees?
Manning responded legal fees are anticipated but represent only a small portion of the project's total funds.

Sen. Dover asked how does Nebraska enforce eminent domain in another state?
Manning answered while unique, the compact grants Nebraska the authority to do so, as it is both state and federal law.

Manning concluded by reiterating the urgency of moving forward, cautioning that any hesitation could jeopardize Nebraska's water security and long-term interests.

Devin Brundage, representing CNPPID and NSIA, testified in opposition, emphasizing the critical benefits of the Perkins County Canal for Central Nebraska and surface water irrigators statewide. He highlighted that the South Platte River serves as the foundation for Nebraska's natural water flows, and every drop not received from Colorado must be replaced by releases from Lake McConaughy.

Brundage stressed that the compact flows are significant—enough to fill Lake McConaughy every 5 to 6 years. He described the canal project as a transformational investment, comparable to the development of Lake McConaughy and its infrastructure nearly a century ago. Without action, Colorado has the ability and intent to further deplete South Platte flows, making it imperative that Nebraska secures and protects its rightful water resources for future generations.

Kent Miller, General Manager of the Twin Platte Natural Resources District, testified in opposition to the bills on behalf of the Twin Platte Natural Resources District and for the Nebraska Association of Resources Districts.

Transferring $500 million from the Perkins County Canal Project Fund to the Water Sustainability Fund on or before June 30, 2025, would end the Perkins County Canal project approved and funded by this Legislature. This would tell the State of Colorado you can use all the water of the South Platte River for the growing population of the front range and forever dry up the South Platte River entering Nebraska.

The South Platte River Compact approved by the State of Colorado, approved by the State of Nebraska, and approved by the United State Congress in the 1920s allows Nebraska 500 cubic feet per second of water during the winter months **only if** the Perkins County Canal is built.

For the last 40 years, beginning in the 1980s, we have been promoting Nebraska to utilize the provisions of Article VI of the South Platte River Compact and build the Perkins County Canal.

The majority of the South Platte River in Nebraska is within the Twin Platte Natural Resources District. I have been observing for over 50 years the developments occurring in the Front Range of Colorado and their desperate need for water. The past opportunities the front range of Colorado had from the Colorado River, on the west slope, are going away or are gone.

He enthusiastically applauded Governor Ricketts for proposing and funding the Perkins County Canal Project in 2022, the Nebraska Legislature fully funding the project in 2023 and for Governor Pillen to continue this support in the budgets.

This is the right time, and Nebraska cannot wait any longer. It is essential to the economic prosperity, health, and welfare of the people of the State of Nebraska, and to the environmental health of the entire Platte River Basin across Nebraska, to protect Nebraska's full entitlement to the flows of the South Platte River as provided for in the South Platte River Compact.

Nebraska needs to build the Perkins County Canal Project NOW.

The Nebraska Department of Natural Resources has retained a consortium of engineering firms who have completed 30% of the design. Further, the department began the purchase of land in Colorado for the project and has begun the required process of obtaining the required federal permits.

I have heard time and time again from Colorado folks at conferences, and in conversations, they are working to dry the South Platte River up at the Nebraska state line. And the only protection Nebraska has are the provisions in the South Platte River Compact.

The Twin Platte Natural Resources District has extensive requirements in our Integrated Management Plan, required by the Legislature in 2004, for conjunctive management of groundwater and surface water for the over appropriated Upper Platte River Basin in Nebraska. These regulatory burdens will increase if South Platte River flows into Nebraska from the South Platte River continue to decrease.

Nebraska must protect the flows we are now receiving. This is a project that will benefit the Platte River Basin in Nebraska for centuries. Miller pleaded with the committee members not to abandon this project.

During questioning, Miller responded to inquiries regarding Senator Raybould’s proposal to build a reservoir first to finance the project. He emphasized that constructing the canal is essential to securing the water—without it, there are no provisions or legal requirements for water to cross the state line. While a reservoir could be built, it would serve no purpose without a guaranteed water supply.

Kyle Leibig, testifying in opposition on behalf of NPPD and the Nebraska Power Association, provided an overview of the compact’s history. He outlined the critical role of South Platte River water and its multiple benefits across the upper and central Platte regions, emphasizing its importance for various uses, including power generation, irrigation, and ecosystem support.

Bruce Reiker, representing the Farm Bureau and eight organizations from the Ag Working Group, emphasized the urgency of this project, acknowledging that action may have been delayed longer than it should have been. He highlighted the policy goal of optimizing water resources for the benefit of Nebraska citizens, stressing that water management is key to economic growth and addressing financial challenges. While no new agricultural land will be created, the available water could be used to support and expand the livestock industry. Beyond agriculture, the

project would provide significant benefits to cities, recreation, hydropower, habitat restoration, water quality improvements, and flood control. Reiker reiterated that water is a scarce and valuable resource, making its efficient use critical for Nebraska's future.

David Grimes, a farmer from Kearney County, testified on his own behalf, emphasizing that the Platte River in western Nebraska is already over-appropriated. He highlighted the critical connection between groundwater and surface water, stressing that Nebraska cannot afford to see further reductions in surface water flows into the state.

In closing, Senator Raybould reaffirmed her support for the project, emphasizing that her intent is not to halt or defund it. She once again advocated for constructing the reservoir on the Nebraska side before proceeding with the canal. Additionally, she urged the committee to consider reallocating a portion of the project's funding to help address the budget deficit at their discretion.

For the record, letters were submitted by four proponents, five opponents, and one neutral party.

The committee reported no action on the measure.

LB 683 - Change provisions relating to duties of county assessors regarding notification of real property assessments and eliminate and change provisions of the Property Tax Request Act. Raybould.

The bill requires, in addition to preliminary valuation notices, each county assessor to create and send a notice to each property owner a notice that includes the following:

1. Display a column for the prior tax year and the current tax year.
2. Under the column for the prior tax year, the notice shall display the valuation of the parcel in the prior year and the amount each political subdivision levied against such parcel in the prior year.
3. Under the column for the current tax year, the notice shall display the valuation of the parcel in the current year and the time and place when each political subdivision levying a tax against the parcel is convening the budget hearing of each political subdivision.

The bill also requires that on or before May 15, each political subdivision levying a tax against property shall inform the county assessor of the time and place such political subdivision's budget hearing will convene.

The Revenue Committee accepted testimony on LB 683 on March 20, 2025.

In opening, Senator Raybould highlighted the foundation for this bill stems from the Property Tax Request Act, commonly known as the "Pink Postcard Bill," which was passed in 2021 under LB 644. Transparency is only effective when it allows the public to engage before decisions are finalized. Unfortunately, most cities, counties, and school districts begin their budgeting process before the pink postcards are sent out, limiting opportunities for meaningful public input.

It is essential to ensure that citizens' voices are heard at the right time in the process. The primary factor driving property tax changes is the tax request made by the political subdivision, not just valuations.
If residents have concerns about property valuations, they should address them with the county clerk. However, if they are concerned about the amount of property taxes they owe, they should attend public budget hearings, where these decisions are made.

Under LB 683, the state will assume responsibility for delivering these notices.

Proponents

John Cannon, Executive Director of NACO, testified in support on behalf of NACO and the Nebraska Association of School Boards. He pointed out the bill focuses on transparency. Property tax increases occur locally through two factors: property valuation and levy rate.

Concerns about valuation should be appealed to the county board, while tax amount concerns should be addressed at budget hearings—often the least attended yet most crucial meetings. Public participation is essential for transparency and accountability.

Terry Keebler, NACO Board Member and Legislative Representative for the Nebraska Association of County Assessors, testified in support of the measure. County assessors ensure fair valuations through mass appraisal, but valuations shouldn't be directly linked to tax increases. The primary driver of tax hikes is the levy, not valuations. The "Pink Postcard" created confusion by connecting the two. Aligning valuation discussions with tax rates earlier in the budgeting process and holding joint public hearings would improve transparency and public understanding.

Lynn Rex, representing the League of Nebraska Municipalities, testified in support noting the bill is a common-sense measure for better transparency. The legislation improves the process by:

1. Requiring all property owners to receive a notice, even if their valuation doesn't change.
2. Clearly stating when and where budget hearings will occur.
3. Mandating political subdivisions to inform the county of their budget hearings.

The bill ensures taxpayers have access to essential information, enhancing transparency in the property tax process.

Opponents

Nicole Fox, representing the Platte Institute, testified in opposition of the bill. In 2021, we supported LB 644, which established the joint public hearing process. Polling at the time showed 77% of respondents favored requiring local governments to notify them of hearings on tax increases. Currently, a hearing is triggered when spending exceeds last year’s budget plus growth and 2%.

While the process could be more effective with earlier timing, LB 683 eliminates both postcard notifications and the joint hearing process. The Platte Institute advocates for direct taxpayer notification and evening budget hearings for better accessibility.

Neutral

Carter Theile, representing the Lincoln Independent Business Association, offered neutral testimony on the bill. While we support transparency improvements in LB 630 and LB 633, these should supplement, not replace the pink postcard notification. The preliminary valuations don’t clearly indicate tax increases.

Nebraska residents, facing high property taxes, want the most accessible way to stay informed. We urge lawmakers to retain the pink postcard system for clear, direct notification of potential tax changes.

Comments received online included one proponent and one opponent.

In closing, Senator Raybould indicated both online testimonies were proponents.

She noted the goal is to shift the timeline so public input is gathered earlier in the process and can genuinely influence budget decisions. Budget hearings are currently scheduled early in the year, and to maximize public participation, they should be held in the evening when more people can attend. This revised pink postcard proposal enhances transparency, ensuring taxpayers have clearer and more timely information about how tax decisions are made.

The committee reported no action on the measure.

LB 695 - Require the Lower Elkhorn Natural Resources District to construct a dam and provide for flood control measures. Dover.

On Feb. 21, 2025, a motion (MO 42) by Sen. Brandt was approved. The motion allowed for the suspension of Rule 3, Section 14 to allow the cancellation of the public hearing that had been scheduled for Feb. 26. A new hearing was scheduled for March 5.

The bill declares that it is essential to the people of Battle Creek, the surrounding region, and the State of Nebraska that flood control improvements be made to protect Battle Creek and downstream communities and that the Lower Elkhorn Natural Resources District shall:

(a) Cause a dam to be built based upon the engineering design reference number XXX of the XXX and take such other flood control measures as are necessary;

(b) Not take any action or adopt an engineering design that will accelerate the velocity or volume flow of the Elkhorn River downstream;

(c) Seek or secure any available local, state, and federal funds to construct such dam and take such other flood control measures; and

(d) To the extent possible, by securing such other funding, reduce or eliminate the need to raise the district's levy and thereby increase taxes on district residents and businesses.

The bill also proposes adopting the following findings:

(a) The community of Battle Creek, originally incorporated in 1873, is an essential community of Legislative District No. 19. Battle Creek provides for a high quality of life for its residents and employees for local businesses and is essential for regional workforce housing;

(b) The existing road infrastructure in and around Battle Creek requires protection from flooding. This infrastructure is vital for public transportation using cars and buses and for businesses transporting produce, raw materials, and finished products by truck; and

(c) Existing rail infrastructure in the area is critical to support existing and future regional industries. These industries are vital to the area and nation and include essential agricultural and metal industrial sites. These commercial taxpayers also lessen the property tax burden on surrounding agricultural producers.

The Natural Resources Committee held the hearing on LB 695 on March 5, 2025.

Sen. Dover opened on the bill highlighting how flood control is a top priority, as reflected in the NRD's mission to Protect Lives, Protect Property, and Protect the Future.

He noted it is time for the Lower Elkhorn NRD to do its job and protect Battle Creek from flooding. Despite years of engineering studies confirming the need for mitigation, no steps have been taken to address the problem. Infrastructure in and around Battle Creek has suffered significant damage, and without intervention, future flooding is not a question of if but when.

Sen. Dover stated LB 695 was introduced to call attention to this urgent issue and push for meaningful action. Decades of inaction by the NRD have left Battle Creek vulnerable. Now is the time to implement a solution that follows sound engineering design and ensures the safety of residents and property.

Sen. Dover noted that if the Lower Elkhorn NRD moves forward with the engineering recommendations, he is willing to withdraw this bill. The action by the Lower Elkhorn NRD will either kill the bill or move it to general file. He discussed that he remains confident that the NRD will make the right decision to protect the community.

Funding options, including NRCS funds, are available, and securing these resources quickly will expedite the process. The latest study, conducted by JEO and Houston Engineering, is in its final review stage, with decisions

expected between sessions. Additionally, the City of Battle Creek has committed to contributing through a bond to help finance the project.

A senator on the committee recognized it is uncommon for legislation to designate specific cities for action, this situation calls for a broader conversation about flood mitigation and infrastructure support.

Proponents

Eric Kraft, Battle Creek City Council member, testified in support highlighting the urgent need for flood control measures in their community. Kraft provided a PowerPoint handout to the committee outlining the challenges they face. Battle Creek has two major drainage areas, with the east drainage covering approximately 750 acres. They have worked diligently to mitigate water issues within our city limits, but this drainage continues to impact the eastern two-thirds of town. The overall drainage area extends far beyond the city, spanning 90 square miles (56,000 acres), most of which drains directly toward Battle Creek.

Kraft discussed that despite efforts, the scope of this issue is simply beyond what the small community can handle alone. They've invested nearly $145,000 in local drainage improvements, including cleaning out ditches, digging a drainage channel, and implementing 12 specific projects inside city limits to improve water flow. However, they cannot address the massive volume of water coming from outside the city on our own.

Kraft highlighted that the town of just 1,200 people has done everything possible to manage the situation, but the reality is that they cannot control the 56,000 acres draining into the community. That is why they are asking for support in implementing a larger-scale solution.

Of the questions asked by the committee, Kraft was unable to answer and deferred the questions to Brian Bruckner who would later be testifying in opposition.

Heath Mettler, Mayor of Battle Creek, emphasized the urgent need for flood control solutions and the impact this issue has on the community's growth and economic development. From an economic standpoint, they have approximately 50 to 75 families who opt into the school district but must commute into town because they lack available housing. This shortage of homes limits the city's ability to attract and retain families who want to be part of the community.

Mettler noted a 972-acre reservoir has been proposed as a solution, yet for the past 20 years, they have repeatedly asked the NRD for assistance, only to face continued delays. Mettler told the committee the NRD has extended the proposal twice but has yet to act. The NRD board has stated that they will not support any project that includes a dam to help Battle Creek. Additionally, they cited a repayment of approximately $380,000 to the federal government, which only led to the completion of a study rather than real action.

When asked if they City of Battle Creek could sue the NRD, Mettler responded that it will be their next step.

A committee member reiterated that the legislature usually does not get involved in a specific project for a specific town and a better approach would be to work with the NRD.

Joe Barry, resident of Battle Creek, testified that since 1990, his home has flooded three times. After the third flood, they made the difficult decision to sell and rebuild in the country. But flooding continues to put homes, families, and livelihoods at risk in town.

Cleon Schwede, former Fire Chief & Emergency Manager in Battle Creek, testified that flooding is not just a personal hardship, but a major financial burden on the city. Protecting the town from rising waters is costly, and emergency response efforts take a toll on our resources and residents. During floods, they do everything they can – sandbagging, redirecting water, and trying to minimize the damage – but there's only so much they can do. Schwede told the committee if floodwater could be slowed before it hit the town, it would make a significant difference. He noted they need a plan that protects Battle Creek before more families are forced to leave.

Opponents

Brian Bruckner, Lower Elkhorn NRD General Manager, testified in opposition on behalf of the Lower Elkhorn NRD and the Nebraska Association of Resources Districts.

I appreciate the opportunity to share my comments with you on this proposed legislation, and extend my appreciation to Senator Dover for being responsive to the concerns of his local constituents in also seeking a solution for a flood protection measure for the community of Battle Creek. Though I appear before you today in the opposition, know that the Lower Elkhorn NRD and the Nebraska Association of Resources Districts will work cooperatively with Senator Dover, Governor Pillen, and the legislature to seek the best solutions for the residents of our state, no matter the challenge.

The basis for our opposition is rooted in two concepts. The first is that LB 695 circumvents the Lower Elkhorn NRD's ability to manage its resources locally and instead creates an unprecedented legislative mandate for how the Lower Elkhorn NRD should manage water. NRDs were created by the legislature as the most efficient and cost-effective way to manage the state's natural resources. NRDs have been implementing local water management solutions since 1972 in conjunction and collaboration with local communities and entities. In fact, the Lower Elkhorn NRD is currently utilizing such local management to accomplish the goals LB 695 improperly sets to achieve.

The Lower Elkhorn NRD is actively engaged in a comprehensive evaluation of the Battle Creek Watershed utilizing the Watershed Protection and Flood Prevention Operations (WFPO) program administered by the Natural Resources Conservation Service (NRCS). The Lower Elkhorn NRD entered into a cooperative agreement with NRCS on April 1, 2020, and has leveraged $540,000 of federal funds to evaluate flood prevention measures that would protect the City of Battle Creek. An additional $351,182 of local funds was approved on July 27, 2023, to facilitate additional analysis of the watershed, including a proposal for a dam and levee system. This effort is on track to be completed this calendar year. In short, the Lower Elkhorn NRD is not ignoring the flood control needs of Battle Creek, but rather is working diligently to address them, and in fact will have a proposed solution within the year.

We pride ourselves on being able to find a local solution for a local challenge, as the legislature intended when creating NRDs, and LB 695 stands to jeopardize our ability to engage in local self-governance.
Moreover, this legislation clearly meets the definition of "special purpose" legislation, which would trigger legal challenges and additional legal expense for the State, if enacted into law.

The second concept that triggers our opposition is the fact that Senator Dover has not requested any funding from the State to assist the Lower Elkhorn NRD in complying with this proposed legislative mandate. The language contained within the bill would suggest that we should "seek or secure any available local, state, and federal funds to construct such dam," though no level of financial commitment from the State is identified. This creates yet another unfunded mandate for local government to manage. The Lower Elkhorn NRD is working diligently to do its part in lessening the burden of property taxes on the residents of the District, but enactment of LB 695 could hamstring our ability to do so. Further, the WFPO program through which we are currently working, offers eligible flood protection projects the opportunity to leverage a significant amount of federal dollars that can be utilized to pay for design, engineering, and construction of a project.

As you can hopefully understand from my testimony, the issue of flood prevention for the City of Battle Creek has been of paramount priority for our District. We are working diligently through a process to identify a technically and financially feasible flood protection measure for the community. We respect Senator Dover's intention to also move forward a solution but take issue with efforts to bypass local control and ignore the governance framework that has effectively served the residents of the State since 1972.

We encourage the Natural Resources Committee not to advance this bill out of committee and allow us to work through the remaining phases of this process in the months that lie ahead.

Sen. Moser asked what percentage of the NRD is involved in this project? Bruckner noted that the watershed covers approximately 94 square miles, but he doesn't have the exact percentage of the district it encompasses. This project is one of three ongoing evaluations for flood control measures. The plan is expected to be completed by the end of this calendar year and will then go before the Lower Elkhorn Board for adoption. If the board approves it, realistically, construction wouldn't begin for at least five years, given the numerous steps required to move the project forward.

Sen. Hughes asked once the plan is completed at the end of the year, does that guarantee board approval? Is the plan focused solely on a dam, or does it include other mitigation efforts? Bruckner discussed that completion of the plan does not automatically mean the board will adopt it. The proposal includes a dam and levee combination, not just a dam – both components are necessary. While there are multiple technically feasible options, identifying a viable funding mechanism remains a challenge.

Senator Hughes asked what is the financial impact of this project? Bruckner noted their current tax levy is relatively low, and while Lower Elkhorn NRD has the authority to raise it, they are mindful of the property tax burden on residents. Even with additional revenue, this project would still impose a significant financial challenge.

Senator Hughes asked if the Lower Elkhorn Board would vote on the plan at the end of the year? Bruckner noted the staff recommendation will be to approve the plan, but ultimately, the decision rests with the board.

Senator Hughes asked if funding from the U.S. Army Corps of Engineers (USACE) has been explored. Bruckner replied yes, but the proposed project is estimated to cost $58 million, which exceeds the funding threshold for a USACE project.

Senator Hughes asked if USACE expressed any opposition? Bruckner replied no and that engineers and NRCS have been in consultation with the USACE throughout the planning process.

Senator Hughes asked what happens if the board votes against the proposal? Bruckner discussed that if the board rejects the plan, it will not be adopted, and Lower Elkhorn NRD will continue having difficult conversations about flood control without a clear path forward.

Senator Hughes asked if communication with the public be improved? Bruckner replied absolutely noting that the Lower Elkhorn NRD has made efforts to remain transparent and responsive to Battle Creek's concerns. The Lower Elkhorn NRD board meets twice a month, with committee and full board meetings. I provide monthly updates on this and other district projects, and all meetings are open to the public.

Senator Hughes ask if the NRD has bonding authority to help fund the project? Bruckner responded that only the Papio-Missouri River NRD has bonding authority. However, the City of Battle Creek does have bonding authority, which could be an option for funding.

John Hansen testified in opposition on behalf of the Nebraska Farmers Union. He emphasized the broader concerns at play. He noted they fully support the previous testimony provided by Brian Bruckner. Hansen testified that in all his years, he has never encountered a bill that so directly undermines local control as this one does. The placement of towns was often a matter of chance, but flood control decisions should not be.

Lower Elkhorn NRD has consistently addressed flood control issues, relying on feasibility studies to guide responsible action. Ignoring these studies not only discredits the NRD but also disregards the expertise of consultants. If a site is not suitable for a dam, forcing a project in the wrong location leads to a poorly designed structure that fails to function effectively. Instead of solving the problem, it risks flooding neighboring properties and creating further complications.

Neutral

Chad Korth testified in a neutral capacity, noting he is serving a third term as a member of the Lower Elkhorn NRD, but is testifying in a personal capacity not on behalf of the NRD.

Korth discussed that as both a resident of Battle Creek and someone living within the watershed, he has witnessed firsthand the impact of flooding and the devastation it can cause. Korth noted that while he is not here to advocate for or against a specific proposal, he believes it is important to have an informed, transparent discussion about the best path forward for Battle Creek and the broader watershed.

Michael Fleer, City Administrator of Battle Creek and District 4 representative on the Lower Elkhorn NRD Board, testified in a neutral capacity. Fleer told the committee one of the primary reasons I joined the NRD was to ensure that flood control efforts in Battle Creek continue to move forward. This has been an ongoing challenge for years, and I believe the NRD is actively working toward an economically feasible solution. Currently, we are waiting on a decision from the NRCS headquarters, which will determine the next steps.

Fleer noted as part of this process; Battle Creek has the authority to bond up to $4 million for flood control efforts. To clarify, the flooding issues we face are not due to groundwater seepage into basements but rather surface water that enters the town and impacts homes.

In closing, Sen. Dover noted he did not introduce this bill because it was unnecessary, but because decades of inaction have left Battle Creek vulnerable. This is not a new issue; it is an ongoing problem that must be addressed.

Sen. Dover told the committee the Lower Elkhorn NRD is fortunate to have Brian Bruckner, who is dedicated to the NRD's mission, and he remains hopeful that the right actions will be taken to protect Battle Creek. However, a life has already been lost to flooding and he asked the committee if need to wait for another tragedy before real progress is made?

Sen. Dover noted he requests that this bill remain in committee, discussing that ultimately, his hope is that this bill will not need to move forward because the NRD will take the necessary steps to protect Battle Creek.

Online testimony was submitted for the record by one proponent and 11 opponents.

The Committee reported no action on the measure.

LB 761 - Create a fund and change provisions relating to water well fees, use of funds, and powers and duties of the Department of Water, Energy, and Environment. Brandt.

Provisions of the bill were amended into LB 759 via AM 1939 which was passed and approved by the Governor on April 7, 2026 – See Pages 18-20.

The bill proposes increasing the registration fee for all water wells from $40 to $200. It specifies that collected fees shall be used to cover both direct and indirect costs associated with administering the well registration program.

The bill also proposes changes to National Pollutant Discharge Elimination System (NPDES) permit fees. For large, concentrated animal feeding operations (CAFOs), the bill would require the Department to ensure that permit fees recover at least 40 percent of program costs from the previous fiscal year, an increase from the current 20 percent requirement.

In addition, the bill creates the Water Quality and Quantity Cash Fund. The fund would be used to pay reasonable direct and indirect costs to develop and administer programs regulating discharges under Section 402 of the federal Clean Water Act.

Beginning July 1, 2027, each application for an NPDES permit or a pretreatment permit must be accompanied by an application fee set by the Department. The fee may not exceed the amount necessary to reimburse the Department for the cost of administering the application. Applications for animal feeding operations or construction and operating permits for livestock waste control facilities shall be exempt from this application fee.

The bill also proposes that beginning July 1, 2027, the Department shall charge an annual fee to each holder of an NPDES or pretreatment permit. The annual fee may not exceed the actual cost of services provided. Permits for animal feeding operations or construction and operating permits for livestock waste control facilities shall be exempt from the annual fee.

The Natural Resources Committee held the hearing for LB 761 on Wednesday, January 21, 2026.

Sen. Brandt opened by outlining the bill noting the intent is to update and adjust fee structures to better align revenues with the cost of administering programs. Ensures fees for water well registrations, livestock permitting, hazardous waste, and NPDES, more accurately cover costs incurred by the department. Some of these fees have not been adjusted for decades.

Sen. Conrad questioned the timing of the fees being adjusted, questioning rather the increases are to cover costs or whether it is an attempt to fill a budget gap - Sen. Brandt noted a lot of this is due to years of not adjusting fees, and the merger provided a timely opportunity to review fees.

Proponents

Jesse Bradley, Director of DWEE, testified in support. Bradley provided an overview of fee adjustments for each of the four programs.

Well registrations fees were last increased in 2003. The proposed adjustment to $200 keeps Nebraska in line with fees of neighboring states. This increase would result in $415,000 additional annual revenue.

Livestock permitting fees have not changed in 20 years. Currently fees are set to meet 20% of program costs and the bill proposes to increase that to meet 40% of program costs. Even with the adjustment Nebraska would still be middle of pack in fees when compared to other states. The adjustment would generate $300,000 annually.

Related to hazardous waste generators, the bill makes two changes. First, it authorizes the authority to collect fees. Second it establishes process for regulations of fees to be established through a rule-making process. Neighboring states collect fees, but Nebraska does not. This would result in $325,000 revenue and reduce general fund obligations.

For the NPDES program, the state is delegated the federal program by the EPA, but this requires the state to provide matching funds. Currently, those match requirements are met through funds from the General Fund. Establishing a fee would align Nebraska with practices in other states and help ensure all federal funds remain accessible to the state. Fees would be established through a thorough rule-making process.

Bradley noted, in total the bill and fee adjustment will allow $1.7 million to be returned to the General Fund.

Sen. Hughes raised the question of why there hasn't been an established process for incrementally increasing fee levels – Bradley responded the merger presented a good opportunity to assess all fees relative to resources used administering. They also assessed what neighboring states are doing for similar fees.

Opponents

Lash Chaffin, League of Nebraska Municipalities, testified in opposition. Chaffin noted that there are at least two permits cities regularly receive under NPDES. Their worry is that the NPDES section is left very open and there is no clarity or cap on what fees could be established. He discussed they're open to guardrails on that type of fee.

Neutral

Sam Drinnin, Nebraska Cattleman, testified in a neutral capacity highlighting the inflation and increasing operation costs that producers must operate under. They appreciate the need for adequate agency resources but expressed concerns over the magnitude of fee adjustments and impact on producers. They want to ensure fee structure remains fair and does not put Nebraska producers at unfair competitive disadvantage. He noted one of the goals of the merger was greater administration efficiencies and requested transparency in how those cost savings are realized and how they impact department fee structures.

Seth Mitchell, Nebraska Pork Producers, testified on behalf of several Nebraska Ag groups. These programs are important as it is critically important to maintain state authority over federal regulation. They are not concerned

over fee increases, but rather in the amount of the increase in a single step - increasing from 20-40% is extreme. The increase creates uncertainty about future cost increases. They support the essential programs but want to ensure reasonable and fair fee system. They are committed to working to explore alternatives to maintain state level control while avoiding undue burden to Nebraska producers.

Sen. Brandt reiterated in closing that they're trying to decrease reliance on the General Fund and redirect costs from everyone to permit holders.

Two opponent letters were submitted for the record. The Committee reported no action on the measure.

LB 770 - Authorize fees for the collection of certain taxes of reclamation districts and county agricultural societies and change the distribution of the nameplate capacity tax. DeKay.

The bill proposes that county treasurers can retain one percent of all nameplate capacity tax prior to distribution to local taxing entities.

The Revenue Committee held the hearing for LB 770 on Wednesday, January 21, 2026.

Sen. DeKay opened the hearing discussing the bill is an update bill following LB 50 last year which reinstated nameplate capacity tax to community colleges. This bill clarifies that counties continue to receive commission prior to distribution to community colleges and other taxing entities. The bill is just putting current existing practices into statute.

Proponents

Jon Cannon, NACO, testified in support noting that the counties continue to provide administration for distribution of nameplate tax even though it's an excise tax, they currently collect 1%, this just puts it into statute.

Neutral

Courtney Wittstruck, Nebraska Community College Association, noted this aligns with the intent of what LB 50 achieved last year.

Sen. DeKay closed by reiterating this bill only puts current operating measures into statute.

No letters were submitted for the record.

LB 772 - Eliminate provisions allowing certain transfers of funds. Cavanaugh, M.

The bill proposes to strike language under existing funds that authorize the transfer from the Fund to the General Fund at the direction of the legislature.

Funds of interest included:

Small Watersheds Flood Control Fund, Nebraska Soil and Water Conservation Fund, Nebraska Resources Development Fund, Natural Resources Water Quality Fund, Buffer Strip Incentive Fund, Chemigation Costs Fund, Water Well Decommissioning Fund, Department of Water, Energy, and Environment Cash Fund, Critical Infrastructure Facilities Cash Fund, Petroleum Release Remedial Action Collection Fund, Waste Reduction and Recycling Incentive Fund.

The Appropriations Committee held the hearing for LB 772 on Monday, Feb. 2, 2026.

Senator Cavanaugh, opened on LB 772 explaining this bill simply removes the language to transfer cash funds to the General Fund. The bill does not reallocate or redirect the funds but instead eliminates the transfer mechanism.

The discussion focused on whether Nebraska's current structure of numerous agency-specific cash funds is the most efficient approach. Committee members considered whether excess cash fund balances might be better held in a

centralized reserve, such as the Cash Reserve Fund, to address urgent or anticipated needs, rather than maintaining separate balances across multiple agencies with distinct purposes and projects.

It was noted that while cash funds are dedicated to specific statutory purposes, the state has increasingly relied on cash fund transfers as a recurring tool to balance the budget in recent years. This reliance was described as a concern from a long-term fiscal sustainability perspective. While no definitive conclusion was reached, members agreed the issue merits further discussion.

LB 772 was characterized as a conversation piece, intended to prompt broader discussion about budget balancing strategies and the appropriate role of cash funds within the state's fiscal framework. Committee members expressed appreciation for the opportunity to explore alternative approaches.

No proponent, opponent, or neutral testimony was received on LB 772.

LB 814 – Change provisions relating to the valuation of agricultural land and horticultural land. Brandt.

Beginning January 1, 2027, the bill proposes taxing agricultural land at 50% of market value rather than 75%.

The Revenue Committee held the hearing for LB 814 on Wednesday, January 28, 2026.

Senator Brandt introduced LB 814, describing it as a straightforward, common-sense adjustment to how agricultural land is evaluated for property tax purposes. Under current law, agricultural land has been assessed at 75% of actual value since its adoption in 2007. LB 814 proposes to reduce that assessment level from 75% to 50% of actual value.

Senator Brandt explained that this change is grounded in the reality that agricultural land is fundamentally different from other classes of property. While additional homes, businesses, and industrial facilities can be built, new farmland cannot be created. Nebraska continues to lose agricultural acres each year, and property taxes should not push land out of production.

He noted that for farmers operating on thin or no margins, rising land valuations can result in higher property tax bills even when levy rates remain unchanged. The proposal is intended to provide meaningful property tax relief. Senator Brandt also emphasized that when one part of the tax system is reduced, such as income taxes, while other areas like property taxes continue to increase, it creates inequities. He clarified that LB 814 addresses valuation, not the tax bill itself.

During questioning, Senator Brandt clarified that the proposal applies strictly to agricultural land and does not include farm homes, buildings, or other improvements.

Jacobson noted that the change is not painless but emphasized that it is about fairness across all tax bases.

It was also noted that lowering tax valuation is one approach, but alternative methods, such as implementing valuation caps, could also be considered. Senator Brandt acknowledged that this is the first valuation bill he has brought forward, rather than a tax bill, and stated that he is willing to work with the committee on potential caps as well.

Proponents

John Hansen, Nebraska Farmers Union, testified that the Legislature historically recognized agriculture as a high-risk, low-margin industry and structured the tax system accordingly. He noted that this framework changed following the MAPCO decision, which required agricultural land to be treated the same as other property classes for valuation purposes.

Hansen explained that agricultural land values now reflect roughly three times what the land can reasonably cash flow. He noted that a voter-approved attempt to return to an earnings-based valuation system was later ruled unconstitutional, resulting in the current market-based valuation approach.

He emphasized that agriculture is in crisis and acknowledged that the proposal is not perfect, but stated that action is necessary.

Bruce Rieker, testifying on behalf of the Nebraska Farm Bureau and agricultural leaders, spoke in support of the bill and noted that Senator Brandt's opening remarks covered many of his points. He encouraged the committee to consider broader property tax impacts as discussions continue.

Rieker highlighted that statewide property taxes increased 5.4% last year, totaling approximately $286 million, and that each 1% increase equals roughly $55 million. He stated that Senator Brandt's bill could be one component of a broader solution.

He emphasized the Farm Bureau's preference for LB 1219, which would cap property tax growth at 2% plus real growth. With real growth at 1.2% last year, this approach would have limited statewide property tax growth to approximately 3.2% and reduced annual growth by about $120 million.

Rieker also noted that between 2000 and 2025, median family income increased 106%, while property taxes rose 261%, calling the trend unsustainable. He added that while an income-based valuation approach is appealing, it is not workable in Nebraska and would require a constitutional amendment.

Opponent

Jon Cannon, testifying on behalf of the Nebraska Association of County Officials, expressed appreciation for Senator Brandt's proposal but raised concerns about the financial viability of Nebraska's primarily rural counties. He cautioned that the bill could discourage growth in rural areas.

Cannon emphasized that property taxation is ultimately a math problem, noting that valuation is part of the calculation but not the driver of the tax bill. He explained that valuation multiplied by the levy rate equals the tax, and that the system must generate a fixed amount of revenue to fund government services.

He stated that the bill would reduce statewide valuations by approximately $35.2 billion, requiring the average levy rate to increase from 2.64 to 3.27 to offset the loss. Cannon also noted that an analysis of a 33% reduction in assessed value showed impacts would vary by county based on size and valuation composition.

Connie Knoche, Senior Fellow at the Open Sky Policy Institute, testified that the bill could reduce revenue for school districts and potentially lead to cuts in higher education. She noted that an analysis by the Open Sky Policy Institute found that reducing agricultural land valuations by 50% could lower property tax revenue by up to 27% in some school districts.

Knoche stated that the largest benefits would likely go to farmers and ranchers near urban areas with higher levy rates. She explained that school districts would need to increase levy rates to offset lost revenue, which would eliminate much of the intended tax relief in areas with significant agricultural land. The analysis showed average levy increases of 15.3 cents, including increases of up to 32.6 cents in heavily agricultural regions.

She concluded by noting that 56 school districts would be unable to fully replace the lost revenue.

Lynn Rex, League of Nebraska Municipalities, testified that the proposal represents a tax shift and raised concerns about its impact on counties, cities, and villages. She acknowledged Senator Brandt for bringing forward ideas but emphasized the need to consider how changes in one part of the tax system affect other governmental entities. Rex expressed appreciation for the continued discussion on addressing property taxes.

Courtney Wittstruck testified that the proposal would significantly impact community colleges, which rely solely on a capped $0.02 capital levy as their only source of local funding and do not receive state aid. She explained that reducing valuations would lower revenue under the capped levy.

Wittstruck also noted that community colleges have outstanding bond obligations issued when agricultural land was taxed at 75% of actual value. Because the levy is capped, it cannot be increased to offset valuation reductions or meet fixed debt service requirements.

Dan Schnos testified that the bill's impact extends beyond school districts, noting that the proposed valuation reduction would automatically reduce ESU adjusted valuation and levy capacity. He explained that while ESUs receive state aid through course service funding, state support has declined by more than 14% since 2009.

Schnos cited ESU 6 in Milford as an example, estimating an annual loss of approximately $388,000, and noted that statewide ESU losses are estimated at $5 million.

The was no neutral testimony

Letters submitted online included: 11 proponents and 3 opponents.

In closing, Senator Brandt addressed concerns raised by opponents of the bill and stated that he would continue to consider and review those issues. He noted that at the current rate of increases in land valuation percentages, the state would be in the same position within four to five years, making the proposal a short-term fix. He suggested that an alternative approach could be to pursue legislation that allows all property classes to increase by an equal amount. He concluded by emphasizing that the issue is one of fairness for rural Nebraska.

The Committee reported no action on the measure.

LB 827 - Provide for natural resources districts to create soil and water programs. DeKay.

Provisions of the bill were amended into LB 794 via AM 2019 which was passed and approved by the Governor on February 24, 2026 – See Page 20.

The Natural Resources Committee reported the bill to General File on Feb. 3, 2026, on an 8-0 committee vote.

The bill clarifies that a Natural Resources District (NRD) may establish or participate in programs to educate residents about or research practices to improve water quality, water quantity management, or soil health practices.

Such programs may include conducting demonstration projects and hosting educational events to inform agricultural producers and the public about practices to protect and preserve natural resources in the state.

A district may enter into agreements with agricultural producers, nonprofit organizations, companies, service organizations, political subdivisions, public or private postsecondary educational institutions, or state or federal agencies to establish or participate in such programs.

The Natural Resources Committee held the hearing for LB 827 on Wednesday, Jan. 28, 2026.

Annette Sudbeck, Lewis & Clark Natural Resources District (LCNRD) General Manager, testified in support on behalf of the Nebraska Association of Resources Districts and LCNRD.

LB 827 provides clear, practical authority for NRDs to continue, and formally recognizes the important work NRDs already do to support soil health, water quality, water quantity, and public education. This bill strengthens the statutory foundation for programming that directly benefits landowners, communities, and Nebraska's long-term natural resources.

NRDs have long partnered with producers to encourage voluntary, research-based practices that protect Nebraska's land and water. Many of these programs depend on collaboration with UNL Extension, state and federal agencies, nonprofit partners, farmers, and private organizations. LB 827 reflects the modern, collaborative model of conservation that districts are using today. It also affirms our ability to host educational events, support demonstration projects, and provide research-driven information to residents.

At LCNRD, we are actively engaged in programs that would fall squarely within the authority clarified by LB 827. Over the next three years, we will be deeply involved in implementing funds focused on water quality and quantity utilizing district funds to match a Water Sustainability Fund and we recently received notice of approval for a Nebraska Environmental Trust grant focused on:

- Improving groundwater quality through nitrate-reduction efforts.
- Expanding soil health practices through producer-led demonstration fields.
- Supporting efficient water use with updated irrigation technology programs.
- Partnering with neighboring NRDs to address shared water-quality challenges.
- Enhancing education and outreach, including workshops, tours, and on-farm demonstrations.

Several projects implemented by LCNRD and NRDs across the state, particularly those addressing groundwater nitrate levels and long-term aquifer resilience, are structured around multi-year planning, testing, and evaluation. These initiatives rely heavily on our ability to educate landowners, host field days, gather research data, and demonstrate practices on working farms.

LB 827 explicitly supports that framework and enables us to continue these programs effectively.

This bill does not expand NRD authority, it clarifies and modernizes it. The expectations placed on NRDs today require strong partnerships, proactive education, and science-based decision making. LB 827 ensures that state law clearly supports these efforts.

Producers consistently ask for practical, localized information that helps them protect natural resources while remaining profitable. LB 827 helps NRDs continue delivering that information through programs, demonstrations, and collaborative research.

On behalf of Nebraska Association of Resources Districts, LCNRD, and the producers we work with, I respectfully urge the committee to advance LB 827. This bill recognizes the good work already happening across Nebraska and strengthens our ability to protect soil and water resources for future generations.

Sudbeck addressed questions from the committee regarding LCNRD's NET grant being put on hold – she highlighted the impact of the proposed grant activities and the impact the loss of the funds would have on the district's efforts to address water quality. Senator Brandt mentioned an upcoming hearing on Feb. 19, for his CA (LR 298 CA) addressing NET funds.

John Hansen, Nebraska Farmers Union, testified in support suggesting this probably isn't necessary, but they support it if it helps NRDs that may be reluctant to get into the mode of educating. Hansen suggested the way of moving conservation forward is education and then incentives.

Senator DeKay closed by discussing that we can and need to do more to address nitrates. The NRDs are well positioned, and this bill recognizes that. The measure provides clarity to local boards that NRDs have that authority.

Letters were submitted for the record by one proponent.

LB 898 - Change which political subdivisions may use virtual conferencing for meetings under the Open Meetings Act and change related requirements. Lonowski.

Provisions of the bill were amended into LB 596 via AM 2282 which was passed and approved by the Governor on April 14, 2026 – See Page 16.

The bill expands the authority to conduct meetings under the Open Meetings Act by means of virtual conferencing to all public bodies.

Current law only provides the authority to specific public bodies. NRDs are currently allowed to use virtual conferencing.

The Government Committee held the hearing for LB 898 on Thursday, Feb. 5, 2026.

Senator Lonowski opened the hearing discussing the measure would help communities across Nebraska by providing better access for citizens to serve on and represent boards and commissions. The bill would help minimize the need to cancel and reschedule meetings due to weather. The bill retains the requirement of having one public participation location available.

Proponents

Daryl Boahc, Nebraska State Historical Society, testified that the intent of the bill is to increase participation and service on public bodies. Currently, only permitting advisory boards have the authority to conduct virtual meetings, which creates a barrier limiting the pool of candidates who can serve. Bohac provided an example of semi quincentennial committee, citing the challenges of coordinating a 17-member committee with representation from across the state. Bohac noted there are more than 250 vacancies for Governor-appointed positions, with over 40% from the 3rd Congressional District. He stated the bill would allow for increased representation and reduced expenses.

Monica Gross, Foster Care Review Office, testified the measure would allow local review boards to continue to meet virtually without violating the Open Meetings Act. Their review boards hold over 500 public meetings per year.

Don Lease, Banner County, testified that behavioral health advisory committee representatives often constitute long travel distances for short meetings. He highlighted that satellite locations offer availability for public access while reducing travel burdens.

Opponents

Korby Gilbertson, Media of Nebraska Incorporated, testified in opposition. She mentioned their group discussed that the measure would make it easier for reporters to attend meetings, but also raised concerns that people may multi-task and not fully pay attention when participating remotely. She stated the group believes it is risky to remove face-to-face interaction.

Senator Lonowski closed by reiterating this would greatly increase volunteer participation and the willingness of individuals to serve on boards and commissions.

Letters for the record were submitted by five proponents and one opponent.

LB 947 – Change fees under the Plant Protection and Plant Pest Act and the Pesticide Act, change provisions relating to the Weeds of the Great Plains book, and change, eliminate, and terminate certain funds. Agriculture Committee.

Provisions of the bill were amended into LB 948 via AM 1976 which was passed 35-10 and approved by the Governor on March 16, 2026 – NARD was not tracking LB 948.

This is a Department of Agriculture clean-up bill.

The bill increases some fees related to natural resources.

- The pesticide registration fee increases from $160 to $200 and increases the amount going to the Noxious Weed Cash fund from $30 to $50.
- Establishes a penalty of 25% of the license fee for nursery stock distributor for each month such person has failed to obtain such license.

The Agriculture Committee held the hearing for LB 947 on Tuesday, January 27, 2026.

Rick Leonard introduced LB 947 on behalf of the Agriculture Committee. The bill was introduced at the request of the Department of Agriculture and reflects an element of the Governor's budget recommendation. He outlined the measure includes authorizing the Director to annually revise fees outside the formal rules and regulations process, using fee criteria consistent with other programs.

Proponents

Sherry Vinton, Director of the Nebraska Department of Agriculture, testified that the bill increases the statutory ceiling on fees under the Plant Protection and Plant Pest Act to allow the program to cover its costs without

requesting additional General Funds. Fees would be set based on the budgeting needs of the existing program and are established each July 1, using a formula. Without these changes, the Department would need an increase of approximately $139,000 in General Funds, and that amount would continue to grow in future years.

She also noted that the pesticide product registration fee would increase from $160 to $200. Of that increase, $20 would be directed to the Noxious Weed Cash Fund and $20 to the Pesticide Administrative Cash Fund. These proposed fee changes are intended to keep the programs operating.

The bill also eliminates the Department's responsibility to publish and sell the *Weeds of the Great Plains* book. The Department has had difficulty selling the book, and LB 947 would allow the remaining 7,000 copies to be freely distributed. It also eliminates the related cash fund and transfers approximately $30,000 to the Noxious Weed Cash Fund.

Finally, LB 947 would transfer funds from the Nebraska Potato Development Fund to the Plant Protection and Plant Pest Cash Fund. When LB 346 passed, there was no language designating the disposition of those funds. Transferring the remaining balance is appropriate because the Plant Protection and Plant Pest program conducts potato cyst nematode inspections.

Sen. Ibach questioned that a few people have expressed concern about the *Noxious Weed* book and suggestions to publish it every five years – is it currently published every year?

Vinton explained that the book was last published in 2019, and prior to that in 2003. The Department currently has 7,000 books in storage. She noted how much has changed with technology and that there are now many different ways to communicate information.

Vinton was asked if the Department has any influence on changing the planting of red cedars with NRDs – Vinton praised NRDs for their local control, stating that this is largely a matter of education and management of cedar trees at the local level.

There was no opponent or neutral testimony. Letters of support were submitted by two proponents.

LB 964 - Adopt the Nebraska Public Property Disclosure Act. Bostar.

The bill proposes to create the Nebraska Public Property Disclosure Act.

Under the act, the governing body of a political subdivision shall hold an open and public hearing prior to any sale or lease of real property owned by the political subdivision or any purchase of real property by the political subdivision. Any person may appear at the hearing and speak for or against the sale, lease, or purchase and raise any issue regarding the property.

After the public hearing, if the governing body decides to complete such sale, lease, or purchase, the governing body shall do so within two months after the date of such hearing. If such sale, lease, or purchase is not completed within such two-month period, the governing body shall hold a new hearing before proceeding with such sale, lease, or purchase.

Public notice would be required of the governing body at least ten days prior to the sale, lease, or purchase. The notice shall be in a legal newspaper published in or of general circulation in the political subdivision. The notice shall state the legal description, address, assessed value, proposed sale, lease, or purchase price, including any proposed lease term, and the name of any proposed seller, buyer, lessor, or lessee of the real property.

The Government Committee held the hearing for LB 964 on Thursday, Feb. 5, 2026.

A representative from Senator Bostar's staff opened the hearing by offering an amendment that would replace the bill. He explained that the amendment was developed to meet the needs of stakeholders while still ensuring public transparency.

The amendment, AM 1952, strikes the original provisions of the bill and would require that a political subdivision shall not execute a purchase contract for real property with an assessed value of $20,000 or greater unless such purchase contract is included as an agenda item listed for action at a public meeting of the political subdivision. It would also require a political subdivision to print and publish a notice of the execution of such purchase contract at least 10 days prior to execution. The notice shall be in a legal newspaper published of general circulation in the county where the political subdivision maintains its principal office, or where the governing body of the political subdivision conducts public meetings.

The amendment requires the notice to include the legal description, address, market value, purchase price for the real property, and the name of the purchaser.

The amendment also provides exemptions for transactions covered under existing Federal Highway Administration regulations.

Proponents

Chris Elliott, Nebraska Public Power District, testified in support, noting that NPPD supports the measure with the agreed-upon amendment.

Devin Brundage, Central Nebraska Public Power and Irrigation District, testified in support of the bill with the amendment and expressed appreciation for the collaboration with Senator Bostar to address concerns and avoid undue burdens that could hinder land management.

Beth Bazyn Ferrell, Nebraska Association of County Officials (NACO), testified in support and thanked Senator Bostar for his work on the amendment. She explained that NACO initially had concerns about parcels required for easements on right-of-way projects, which are typically smaller dollar amounts and would have required significant additional effort under the original bill. She noted that the amendment addresses those concerns through the $20,000 threshold.

Joe Kohout, representing the Lancaster County Board of Commissioners, testified in support.

Opponents

Jacob Farrell, Omaha Public Power District, testified in opposition. He noted that OPPD is committed to transparency, but the bill would result in redundancy and operational delays with potential negative economic impacts. The bill adds a layer of red tape, increasing the complexity of routine business operations, and would undermine the authority of locally elected boards to determine how to best operate. He also expressed concern that requirements to publish names and transaction details could jeopardize sensitive negotiations.

Letters were submitted for the record by one proponent and two opponents.

The Committee reported no action on the measure.

LB 1028 - Provide requirements for nutrient management plans and the application of livestock waste or litter. Jaurez.

The bill adds new requirements for large, concentrated animal feeding operation subject to permits from the Nebraska Department of Water, Energy, and Environment (DWEE).

First, it would require such operations to register its nutrient management plan with the department and to update its plan annually thereafter. The plan and any supporting documentation shall be made publicly available on the department's website.

Second, for any acres where livestock waste or litter is applied pursuant to the nutrient management plan, cover crops shall be planted following application unless the field has perennial cover crops. The establishment and maintenance for such cover crops shall be paid by the entity implementing the nutrient management plan.

Third, when reasonably possible, the entity implementing the nutrient management plan shall use regenerative agricultural practices which minimize tillage, establish living roots systems, armor the soil with increased plant matter build up, increase bio-diversity, integrate livestock grazing systems, and respect and restore a region's native ecosystem.

Fourth, for any acres where livestock waste or litter is applied adjacent to a running waterway pursuant to a nutrient management plan, a minimum thirty-foot perennial-grass buffer shall be established and maintained between the area of application and the waterway. The establishment and maintenance for such buffer shall be paid by the entity implementing the nutrient management plan.

Finally, the entity implementing the nutrient management plan shall also annually compensate the landowner of such buffer for production losses on such buffered acres prices as determined by the department.

The Natural Resources Committee held the hearing for LB 1028 on Thursday, Feb. 19, 2026.

In her opening testimony, Sen. Juarez, mentioned although she represents an urban district, her constituents and her have a strong stake in this conversation, as water quality is becoming an increasingly serious issue across Nebraska. Our farmers are part of the solution, and LB 1028 is built around farmer-based, practical approaches to help reduce nutrient leaching into our aquifers and the water we all rely on.

The goal of LB 1028 is to create reasonable, consistent standards for the largest waste applicators in the state, Concentrated Animal Feeding Operations (CAFOs). Since the bill's introduction, we have received substantial feedback. The measure was discussed at the NARD Legislative Conference, and many of those concerns helped shape AM 1967. We also met with the Nebraska Farm Bureau and the Nebraska Cattlemen. While they opposed the bill, they did not offer alternative solutions.

The amendment reflects several important changes:

- It maintains the University of Nebraska–Lincoln recommendation of at least a 30-foot buffer between fields and streams.
- The phrase "running water" was clarified to "river or stream" for better specificity.
- Instead of requiring annual updates, a new nutrient management plan is only required when there is a material modification, such as changes in livestock numbers, land application acreage, fields, or nutrient management rates and timing.
- The bill allows for the creation or expansion of a registration fee to help offset administrative costs.

The amendment also updates how waste can be applied to frozen ground, requiring application at rates that reduce runoff, and it strengthens conservation practices by requiring cover crops in the fall.

Proponents

Grahm Christensen, President of GC Resolve and a producer, stated over the years, our farming practices have been innovative, but not always regenerative. In recent years, we have begun implementing regenerative practices to address soil erosion, and we have seen measurable improvements.

Livestock waste contains high levels of phosphorus and nitrogen—essential nutrients for crop production—but without proper management, those nutrients can contribute to water quality concerns. LB 1028 represents a practical first step toward ensuring healthy waters across the state by improving transparency and making nutrient management more consistent and accountable.

By reducing soil erosion, we improve water quality. Fall-seeded cover crops help absorb excess nitrates, and buffer strips serve as a final line of defense to protect rivers and streams.

Matthew Sutton, a geologist who tracks nutrient and pesticide contamination across Nebraska. Through his research he has documented widespread and persistent contamination in many of our state's waterways. LB 1028 incorporates two science-based conservation practices that directly address these concerns: buffer strips and cover crops. Both practices are designed to reduce soil erosion. In agricultural settings, many pollutants are attached to

sediment that erodes from fields and is carried into nearby waterways. By limiting erosion, we can significantly reduce the movement of nutrients and pesticides into rivers and streams. These recommendations are consistent with the findings of the Healthy Soils Task Force and align with the conservation strategies previously recommended to Governor Pete Ricketts.

John Hansen with the Nebraska Farmers Union has been engaged in water quality work for decades. The big picture is this: soil health and water quality are directly connected, and we have been discussing many of these same issues since 1974. One key concern is nitrogen loading in our aquifers. Once nitrogen accumulates in groundwater, it takes a very long time to clean up. In many cases, the only way to reduce those concentrations is to utilize the nitrogen through irrigation water over time. That reality underscores the importance of prevention.

Not all nutrient management plans are created equal. There needs to be greater emphasis on strengthening those plans, particularly in marginal or sensitive areas. Stronger, more targeted nutrient management requirements can help prevent long-term water quality impacts. The encouraging news is that there is a strong appetite for conservation across our state. Nebraska continues to be a national leader in soil and water conservation programs. We should harness that momentum and commitment to ensure we are doing the right thing.

Dr. Andrea Basche, Associate Professor at the University of Nebraska–Lincoln, testifying on her own behalf. Dr. Basche has more than 15 years of professional experience researching and working with cover crops. This bill presents a creative and forward-thinking solution for producers to protect Nebraska's water resources. It builds on proven soil health practices, including the use of cover crops, which help reduce erosion, improve nutrient retention, and enhance overall environmental stewardship. Increasing soil health practices and cover crop adoption aligns with recommendations from the Governor's Water Quality Task Force. There is also strong interest and enthusiasm among younger agricultural professionals to implement these conservation strategies, which can create new entrepreneurial opportunities within the state.

Jim Knopik, farmer and rancher, testified in support. Twenty-eight years ago, his community organized to address concerns about concentrated animal feeding operations (CAFOs) locating in his county. We gathered information from other states and worked to better understand the potential impacts. Today, all but three Nebraska counties have adopted zoning regulations related to livestock operations. Jim provided the committee with background on how Livestock Friendly County zoning regulations developed over time and the local efforts that shaped those policies.

Jim also shared examples of livestock waste situations he has encountered over the years, underscoring the importance of clear standards and responsible management to protect neighboring landowners and water resources.

Al Davis testified on behalf of the Nebraska Sierra Club. He noted that concentrated animal feeding operations (CAFOs) have expanded across the nation and are highly efficient systems capable of providing a steady food supply. However, he emphasized that experiences in other states demonstrate that insufficient regulation can lead to significant damage to both surface water and groundwater. He cited Iowa as an example, where high nitrate levels in drinking water have become a serious concern. Mr. Davis explained that Nebraska's soils are uniquely permeable, making groundwater particularly vulnerable when nitrogen is applied at the wrong time or under improper conditions. He also highlighted research conducted by the University of Nebraska Medical Center (UNMC) examining correlations between elevated nitrate levels and increased pediatric cancer rates. Several aspects of the fiscal note raise questions and warrant further review. That said, we remain supportive of the bill overall.

Anne Devries testified that concerns over the high fiscal note prompted her to speak. She expressed frustration with the Department of Water, Energy, and Environment (DWEE), stating that the agency has caused stress and confusion for many individuals. She questioned whether the fiscal note may be overstated and suggested there are inefficiencies within the department that should be addressed. She encouraged the committee to take a closer look at how the agency operates when evaluating the projected costs associated with the bill.

Shirley Neimeyer expressed uncertainty about who would be responsible for submitting the required information under the bill—whether it would be the livestock producer, another party, or both—and asked for clarification regarding associated costs. She noted that if nitrate contamination requires treatment through reverse osmosis systems, the expense to municipalities could be significant. She also raised concerns about potential legal liability for livestock producers if connections between nitrate levels and cancer are established. She suggested that periodic

testing of both water and soil be included in the bill, if it is not already addressed, to ensure ongoing monitoring and accountability.

Opponents

Walt Troudt testified in opposition. He is a pork producer and grain farmer who operates a 4,000-head finishing barn and represents several grain associations. As a large CAFO operator, he operates under a state permit that already requires detailed recordkeeping, including documentation of when and where nutrients are applied. These nutrient management plans are subject to state inspection and oversight. He stated that LB 1028 would duplicate an existing regulatory framework that is already in place.

Mr. Troudt expressed concern that the bill mandates cover crops and buffer requirements regardless of local conditions, creating what he views as an unfunded mandate for producers. He noted that many producers apply nutrients on land they do not own or directly control, which can make establishing cover crops impractical or infeasible. He concluded by stating that Nebraska's current regulatory framework already includes environmental protections and oversight mechanisms to safeguard water quality.

Sam Drinnen testified in opposition on behalf of the Nebraska Cattlemen, as well as wheat and dairy associations. He is also a feedlot operator. He stated that Nebraska feedlot producers are committed to sustainability and responsible resource management. Under federal EPA regulations, CAFOs are already required to develop and maintain detailed nutrient management plans. He argued that LB 1028 goes well beyond existing federal requirements and represents a significant expansion of state oversight, rather than a minor administrative adjustment.

Drinnen expressed concern that the bill would require substantial additional time, financial investment, and staffing resources. He noted that the detailed information required under the bill could raise privacy and security concerns for producers. He also characterized the mandates as costly and ongoing annual obligations. He emphasized that producers already work closely with Natural Resources Districts (NRDs), the Natural Resources Conservation Service (NRCS), and other agencies to implement conservation practices and comply with local rules and regulations.

Neutral

Brian Bruckner, General Manager for the Lower Elkhorn Natural Resources District, submitted neutral testimony on behalf of the LENRD.

To begin, we extend our gratitude to Senator Juarez for introducing this piece of legislation and share her concern for the protection of water quality. The LENRD devotes time and financial resources each year, engaging in activities directly related to groundwater and surface water quality, and has enacted regulatory controls in portions of the LENRD where conditions warrant.

The oversight and regulation of permitted livestock production facilities is the jurisdiction of the Nebraska Department of Energy and Environment (DWEE) and the LENRD relies on their active involvement in ensuring compliance with permitting requirements. The LENRD is contacted by DWEE regarding applications for new permits, or modifications to existing permits, and we provide input regarding any concerns we might have. Nutrient management plans are currently required for facilities that meet the permit requirement threshold, though we are unaware of how often DWEE reviews those plans to ensure that they are up to date, or the frequency of oversight to ensure compliance.

To the matter of the application of livestock waste or litter on thawed or frozen soils, we are again reliant upon the oversight of DWEE to ensure that facilities are operating within the requirements of their nutrient management plan. We recognize that there are situations that will require application on frozen soils and utilization of processes to minimize negative impacts should always be observed.

The use of cover crops as a beneficial conservation practice has long been supported by the LENRD and can provide a multitude of environmental benefits. It is our understanding that this would be a required practice, in the fall of each calendar year, for land application sites. We support this measure but can see challenges in obtaining compliance given the short window of time that can sometimes exist after crop harvest. The germination of cover crop seed and growth of biomass would be impacted by precipitation and temperature conditions in the days that

follow cover crop seeding. It will also require the devotion of manpower and resources by DWEE to conduct site visits to ensure that the practice has been carried out in compliance with the legislation. The measure to require the 30 foot setback is also a prudent suggestion, but oversight to ensure compliance is another task that needs to be taken into consideration by DWEE.

In closing, Sen. Juarez addressed a comment regarding AM 1967. We received feedback that the amendment was too restrictive in requiring annual updates to nutrient management plans and we adjusted the language to limit updates to nutrient management plans only when there are material changes, such as adjustments in animal numbers, timing, or application rates.

Nebraska's water is one of our most valuable natural resources. Protecting it requires practical, farmer-led solutions that address nutrient runoff before it becomes a crisis. LB 1028 supports proven conservation practices and reflects a balanced approach—one where agriculture and clean water can thrive together.

Written testimony was submitted for the record by 46 proponents, nine opponents, and three neutral. The Committee reported no action on the measure.

LB 1049 - Require the Legislative Fiscal Analyst to prepare economic impact reports for regulatory actions. Ibach.

The bill would require the Legislative Fiscal Analyst to prepare and submit an economic impact report to the appropriate standing committee of the Legislature, for any legislative bill that would require, as the result of being signed into law, regulatory action by an agency

The economic impact report shall include a cost benefit analysis including:

(a) The estimated primary or direct benefits;

(b) The estimated cost savings or financial benefits to society;

(c) The estimated number of businesses or other entities to which the regulatory action will apply;

(d) The identity of any localities and types of businesses or other entities that will be particularly affected by the regulatory action;

(e) The estimated compliance costs for regulated entities, including costs for affected businesses, localities, or entities;

(f) The estimated impact on the use and value of private property, including additional costs related to the development of real estate for commercial or residential purposes;

(g) The estimated effect on state expenditures, including estimated administrative expenses;

(h) The estimated secondary or indirect costs; and

(i) Key assumptions and sources of uncertainty.

The bill also would require state agencies to cooperate with the Legislative Fiscal Analyst by providing any information relevant to the economic impact report.

The Executive Board held the hearing for LB 1049 on Thursday, Feb. 12, 2026.

Sen. Ibach's legislative aid opened the hearing discussing the measure follows the intent of LB 366 from last year. That measure stalled because it created a new agency and carried a substantial fiscal note. Despite that effort stalling, it is still worthwhile understanding the cost and impact of new legislation. Instead of waiting, LB 1049 would allow the fiscal office to use the existing fiscal note process to provide estimates of economic impact. The process would be the best guess, but it could likely be completed by those already completing fiscal notes in minutes. The advantage is it would inform legislators about a bill's potential economic impact before it is even considered in committee.

Proponents

Laura Ebke with the Platte Institute, outlined the institute's efforts to identify ways to reduce barriers to economic growth and opportunity. Too often laws are passed without an understanding of the consequences and costs for non-governmental sector. While these economic impacts would be the best guess, it would still be a starting point that is important. Ebke discussed that AI-generated analysis can provide economic cost estimates using free technology. They completed a study and approximately one-third of the sessions introduced bills would require the added regulatory costs analysis.

Emily Amin with Pacific Legal Foundation suggested economic impacts of regulations from new bills are typically not considered by senators.

Jacob Myers, an intern with the Platte Institute, suggested that AI tools can be used to analyze the economic impact of bills. AI tools can identify who the bill might impact and then quantify the impact. Myers provided examples of three bills from this year and the AI analysis that were generated. Senators highlighted several discrepancies in the AI-provided analysis.

Reeve Bull provided testimony in support, offering a summary of his experiences as an analysis for the state of Virginia. In Virginia an office of four people reviewed and assisted agencies with completing economic analysis for bills.

Opponents

There was no opponent testimony.

Neutral

Keisha Patent, with the Legislative Fiscal Office, testified in a neutral capacity noting their office is happy to complete these sorts of analysis. However, they have concerns about the number of bills this would apply to, and the short deadline they would face to complete the analysis. They believe it would take significantly more time and more in-depth process than what has been laid out in the bill.

Written testimony was provided by seven proponents. The Board reported no action on the measure.

LB 1081 - Require state agencies and political subdivisions to purchase flags made in the United States. Meyer, G.

The bill proposes that beginning January 1, 2027, a state agency or political subdivision shall not use public funds to purchase a flag of the United States or the State of Nebraska unless the flag has been one hundred percent manufactured in the United States from articles, materials, or supplies that have been grown or one hundred percent produced or manufactured in the United States.

This would not apply to the purchase of a hand-held flag or a flag with dimensions of less than eight inches wide and six inches high.

The Government Committee held the hearing for LB 1081 on Thursday, Feb. 26, 2026.

Sen. Meyer opened the hearing by suggesting this is a common sense bi-partisan measure. The primary reason for exempting small flags is due to schools and others who may be looking to educate with small flags may not be aware of the requirements. The American flag act was introduced in the US Senate with similar requirements for the federal government. Sen. Meyer discussed this would have a ripple impact and benefit the American economy. Flags crafted in America are constructed with better materials and are more durable, which would save purchasers money in the long run. Sen. Meyer clarified the intent is for the requirement to be replacing flags as needed and not to require the immediate replacement of existing flags.

There was no additional testimony.

Written testimony was submitted for the record by nine proponents. The Committee reported no action on the measure.

LB 1130 - Adopt the Community Improvement District Act. Jacobson.

Provisions of the bill were amended into LB 1114 via AM 2360 which was passed and approved by the Governor on April 16, 2026 – NARD was not tracking LB 1114.

The bill proposes to adopt the Community Improvement District Act to allow cities and villages to construct, install, improve, equip, maintain, and repair public infrastructure.

Public infrastructure is defined under the bill as any publicly owned electric service lines and conduits, gas service lines and conduits, sanitary sewer lines, sanitary sewer system improvements, storm sewer lines, storm sewer system improvements, flood control improvements, water lines, water system improvements, emergency management warning system improvements, sidewalks, roads, streets, highways, pedestrian walkways, public spaces, public facilities, parks, playgrounds, recreational facilities, off-street motor vehicle parking facilities, public waterways, docks, wharfs, rail lines, flood control systems, flood control improvements, and related appurtenances, whether owned or to be owned by the community improvement district or another political subdivision;

Public waterways are defined under the bill as artificially created boat channels dedicated to public use and providing access to navigable rivers or streams.

Under the proposed bill, no community improvement district may own or hold land in excess of 10 acres, unless such land is owned and held by such community improvement district is actually used for a public purpose.

The payments for the projects would be from a property tax levy in the district. The maximum amount is left blank in the proposed bill.

The Urban Affairs Committee held the hearing for LB 1130 on Tuesday, Feb. 3, 2026.

Senator Jacobson introduced LB 1130, the Community Improvement District (CID) Act. The bill provides cities and villages with an additional tool to support local infrastructure projects. A CID allows a defined group of property owners to come together to fund improvements within their own district, without the use of state or federal dollars.

Participation in a CID is entirely voluntary. The bill is intended to give communities another option in their toolbox, not to mandate participation.

LB 1130 establishes a clear process for forming a CID. First, a majority of property owners within the proposed district must support its creation. Second, public notice and a public hearing are required. Third, the city must approve the formation of the district. Once established, a CID is governed by local property owners and must comply with existing laws.

The funding structure is limited and targeted. Revenue may only be raised within the boundaries of the CID, and cities retain authority to set caps on assessments. This is an opt-in framework designed to provide flexibility, not forced participation. The goal is to allow communities to invest in their own neighborhoods in a commonsense way.

In response to questions regarding the types of improvements a CID might undertake, examples could include local infrastructure needs such as street repairs. This tool is intended to fill gaps in areas that may not have received focused improvements in the past.

When asked how assessments would work and whether they would create a property lien, the response was that participating property owners would assess themselves, and those assessments would attach as a lien on the property.

Regarding district boundaries, CIDs are intended to be neighborhood-restricted and limited to a defined area.

In response to questions about eminent domain, Senator Jacobson expressed mixed feelings. While there is recognition that eminent domain may be necessary in certain circumstances where there is a clear public benefit,

there are also reservations about compelling property owners to sell. The view expressed was that eminent domain should remain a tool available when truly necessary, but one that should be used sparingly and with careful consideration of its impact on individuals.

Proponents

Adam Flanagan, on behalf of the Welcome Home Coalition and other organizations, testified in support of LB 1130. Flanagan stated that Nebraska is facing a documented housing shortage affecting communities of all sizes. Current and future housing demand is not being met, and communities lack sufficient tools to address the problem. The bill's goal is to provide cities and villages with a mechanism to develop infrastructure needed for housing and redevelopment, particularly in areas with aging or failed infrastructure.

The bill offers a financial tool, not a mandate, that preserves local control while giving municipalities another option to support development. While no single policy will solve Nebraska's housing challenges, this bill adds an important tool to the toolbox.

In response to questions, Flanagan explained that Community Improvement Districts issue their own debt through tax-exempt municipal bonds, which lowers borrowing costs due to reduced interest rates. The bill allows for long-term bonds of up to 20 years, spreading infrastructure costs over time and reducing the annual financial burden on homeowners. The primary risks are like those found in any development project, such as rising interest rates, but Flanagan believes the CID structure mitigates certain risks. Flanagan also answered several questions regarding CID operations, financing scenarios, and distinctions between Sanitary Improvement Districts (SIDs) and CIDs, noting that CIDs operate within city limits, while SIDs do not.

Bill Swanson, representing the Nebraska Realtors Association, testified in support of the bill, stating that LB 1130 provides another valuable tool for developers to support housing development in their communities.

Phil Green, representing the City of Blair, testified in support, emphasizing that small and rural cities face economic disadvantages when it comes to subdivision development. Green described LB 1130 as an important tool to support subdivision growth and reduce the financial risks developers currently face when funding infrastructure upfront. He noted that the bill helps blend the financial benefits of SIDs with developments located inside city limits, a model that has been successfully implemented in other states through CIDs. Green also highlighted the bill's safeguards for personal property rights and stated that Nebraska's lack of attainable housing constitutes a crisis that justifies the bill's emergency clause.

Nate McHargue, representing Olsson, the Lincoln Chamber of Commerce, and the Greater Omaha Chamber, testified in support. McHargue stated that Nebraska communities continue to face challenges related to infrastructure and growth. He noted that CIDs create a long-term, tax-exempt financing option to address infrastructure readiness. McHargue explained that SIDs help support development by improving industrial site readiness and lowering initial capital costs by spreading infrastructure expenses over 20 to 30 years. He described CIDs as a balanced, responsible, and locally driven approach that strengthens Nebraska's competitiveness while protecting education funding.

Justin Brady, representing the Nebraska State Home Builders' Association and other organizations, testified in support. Brady stated that builders and developers view CIDs as a new tool that may not apply in every situation but will be effective in certain circumstances and should be available as an option.

Tracy McPherson, representing Habitat for Humanity of Omaha, testified in support, emphasizing the real-world impacts of Nebraska's housing shortage. McPherson noted that rising construction costs and infrastructure expenses are significant barriers, particularly for nonprofit developers. She stated that CIDs allow infrastructure costs to be financed over time, reduce development risk, and provide a means to fund essential improvements such as streets, sidewalks, and lighting. She also explained that tax-increment-style financing mechanisms can lower overall costs, benefiting homeowners. McPherson added that CIDs help stretch limited resources, support homeowners' associations in managing shared responsibilities, preserve local control, and strengthen public-private partnerships by giving communities another practical tool.

Opponents

There was no opponent testimony.

Neutral

Jill Becker, representing Black Hills Energy, testified in a neutral capacity. Becker stated that Black Hills Energy has been working with the bill's proponents and is seeking clarifying language to ensure that utility facilities cannot be condemned by a Community Improvement District. She noted that proponents have been willing to engage in discussions on this issue, and Black Hills Energy's primary request is that this concern be clearly addressed in the bill.

David Cary, representing the Lincoln–Lancaster County Planning Department, testified in a neutral capacity. Cary stated that city residents fund municipal services through existing taxes and should receive the services to which they are entitled without duplication or overlap in costs. Cary noted that the city recognizes its responsibility to grow and develop and remains committed to supporting that growth. While his office has previously testified in opposition to similar proposals, he acknowledged that LB 1130 presents potential benefits. As constructive feedback, Cary indicated that additional sections of Nebraska statute may need to be aligned before moving forward and expressed a willingness to continue discussions. He also stated that the bill could help expand development opportunities to support housing growth.

Cristy Abraham, representing the League of Nebraska Municipalities, testified in a neutral capacity. Abraham emphasized that LB 1130 introduces a new development tool and reiterated that municipal approval is required at every stage of a CID's formation and operation. She stressed that all existing regulatory authority, zoning, and land-use requirements must continue to apply where a CID is established. Abraham underscored the importance of ensuring that CIDs operate in alignment with municipal plans and priorities and with full municipal involvement throughout the process. She noted that there may be technical adjustments to consider and encouraged a slow approach to implementation to ensure all stakeholders are aligned and prepared before moving forward.

In closing, Senator Jacobson thanked the neutral testifiers for their thoughtful input and noted that they raised several worthwhile points. He acknowledged that the bill introduces new concepts and emphasized the importance of ensuring all the pieces fit together properly. He also noted that while the North Platte economic developer was initially hesitant about the bill, support has grown as discussions have continued.

Senator Jacobson reiterated that LB 1130 provides another tool to help address Nebraska's housing shortage. He emphasized that efforts to rehabilitate existing areas and create environments where reinvestment can occur are often more affordable and effective than starting from scratch.

He stated that the bill fills a niche that is not currently being addressed and includes ongoing oversight by city councils. Senator Jacobson expressed confidence that many of the gaps identified in prior approaches have been addressed in this proposal.

In response to a question regarding whether a CID tax levy would continue after a property is sold, Senator Jacobson confirmed that the levy would run with the property. He noted that there would be full disclosure to the buyer so that the obligation is clearly understood at the time of purchase.

Testimony submitted online included four proponents and one neutral.

LB 1136 - Require political subdivisions to identify authorized recipients of tort claims filed under the Political Subdivisions Tort Claims Act. Dungan.

Under the Political Subdivisions Tort Claims Act, the bill would require a political subdivision to maintain on the home page of its website a notice describing the official or law department authorized to receive such claims. The notice shall identify the official or law department by name and title and provide a mailing address.

The filing of a claim with the official or law department identified on such website shall constitute substantial compliance with the act.

The failure of a political subdivision to maintain accurate and up-to-date information as required by this subsection shall "toll the deadline" (pause or delay the statute of limitations) for making a claim in writing and the deadline for bringing a suit.

The Judiciary Committee held the hearing for LB 1136 on Thursday, Feb. 19, 2026.

Sen. Dungan opened by highlighting that the current Act provides benefits to political subdivisions that are not available to citizens. The Nebraska Supreme Court has strongly enforced the Act and some political subdivisions have made it difficult to find who the appropriate individual is to receive service of process. Currently political subdivisions have this designated, but they can make it difficult to know or find who that individual is.

Sen. Dungan discussed the bill is specifically drafted to only impact political subdivisions that are already required to have a website. He discussed he is open to amending the measure so that it does not necessarily need to be posted directly on political subdivisions homepage, but it would need to be reasonably discoverable.

Proponents

Josh Yamber, Attorney with Berry Law Firm, provided testimony highlighting a procedural hurdle under the act that allows political subdivisions to hide the ball. He discussed that political subdivisions often do not make it publicly known who is to maintain official records. Courts make it clear claimants must file directly with person officially designated to maintain official records.

Neutral
Elaine Menzel, testified in a neutral capacity on behalf of NACO and Nebraska Country Attorneys Association, were prepared to testify in opposition, but through discussions there has been willingness to address concerns regarding tolling.

In closing, Sen. Dungan suggested that he is open to additional conversation, as the intent is to provide ease and clarify and not to be overly burdensome. He suggested additional consideration be given to if it's the individual or the position that is posted on the website.

The Committee reported no action on the measure.

LB 1145 - Change provisions relating to notice requirements for a meeting of a public body under the Open Meetings Act. Lonowski.

Provisions of the bill were amended into LB 596 via AM 2282 which was passed and approved by the Governor on April 14, 2026 – See Page 16.

Requires governing bodies of all political subdivisions to provide notice at least twice a year of the regular meeting schedule, location, and the method designated by the public body to provide reasonable advance notice of each meeting, such twice-yearly notice shall be in a legal newspaper of general circulation within the jurisdiction. Exempts a city of the second class or village, and a rural or suburban fire protection district. The bill outlines that failure to comply with such notice requirement shall not void any action of a public body. Strikes existing notice and publication requirements.

The Government Committee held the hearing for LB 1145 on Thursday, Feb. 5, 2026.

Senator Lonowski opened the hearing, noting the measure was introduced at the request of Nebraska Association of County Officials (NACO), Nebraska School Boards Association, and the League of Municipalities. He explained the bill is a result of issues stemming from LB 148 (2020), which created confusing provisions and has led to an increasing number of instances where newspapers have not published required notices. He emphasized that newspapers are not intentionally failing to publish the notices, but the consequences for political subdivisions can be significant when it occurs.

Proponents

Lynn Rex, League of Nebraska Municipalities, provided a history of the Public Meetings Act. This measure simply reinstates what was law and practiced by public bodies for 45 years, from 1975 to 2020. The bill states notice would be twice a year – but it was agreed to this morning with the Nebraska Press Association to bump that to 4 times a

year – this provision would not apply to cities of second class and rural fire districts. Rex explained that LB 148 (2020) was passed due to Senator Groene's concerns with actions taken by one NRD, but it ultimately created what she described as a "Rubik's Cube" of compliance. She emphasized that lifting the restrictions applies only to failures to publish methods of notification, not to the actual notice of meetings.

Beth Bazyn Ferrell, Nebraska Association of County Officials, testified that the Open Meetings Act continues to be a work in progress. The post-2020 process has been challenging for public bodies and has frequently resulted in the need to cancel meetings. NACO recognizes that meeting postings are a necessary revenue stream for newspapers and looks forward to continuing conversations on the measure.

Colby Coash, Nebraska Association of School Boards, discussed that this measure is a true clean-up. The law wasn't broken in 2020, and this fixes what wasn't broken.

Larianne Polk, ESU Coordinating Council, explained that current practices require notices for each meeting to be published in multiple newspapers. The measure doesn't reduce the number of meeting notices but would update how they may be published and foster the establishment of a more consistent process. Modernization would allow public bodies to be better stewards of taxpayer dollars. Currently, ESUs spend approximately $9,700 annually on notices, and this measure would reduce that to about $2,000.

Dean Edson, Nebraska Association of Resources Districts executive director, testified in support. Edson thanked Senator Lonowski for his leadership on this issue by bringing the parties together to modernize public meeting notices. This is a complex issue, and we want to make sure the public is notified of upcoming meetings.

The changes proposed in this legislation to publish meeting notice twice a year are workable for the NRDs. It might help the public to put the upcoming meetings on their personal calendar. In any event, I can assure you the NRDs will continue to public notice the monthly meetings and record them in the minutes.

We try to get more involvement from the public to participate in protecting and enhancing natural resources in Nebraska. In addition to publishing public notice in a local paper, all 23 NRDs have websites and have been posting meeting notices and minutes on their sites for years. Many have gone beyond that and use social media to announce upcoming meetings.

The NRDs work hard to meet the compliance challenges with the publication requirements of Section 84-1411. The districts cover several counties, and in some cases, there is no daily paper left in the district. We have also run into problems where notices were filed with the newspaper, but it did not appear in the paper.

Edson provided an example of his hometown newspaper, the Gothenburg Times. This was a weekly newspaper that had been in business for over 100 years, in which he was a fourth-generation subscriber. It was the site for public notices for that community. In 2023, they announced that they ceased operations immediately and there would not be any further publications. The website was taken down immediately as well.

It is the political subdivision that pays the price for notices not running in the local paper. Not only did the political subdivisions lose out on public notice for the next edition, but they also lost the local paper to publish notices permanently. Some had to cancel regularly scheduled meetings as the newspaper posting was not available. If they had the meeting anyway, they would be in violation of the law.

There is a declining readership of printed newspapers. I am still part of the older generation that has four, printed newspaper subscriptions, but those individuals are a declining number. The younger generation gets their news from other sources, not necessarily newspapers. We need to modernize public notices, so the public is informed of meetings.

Matt Hansen, Lancaster County, testified that under the current requirement, newspapers set the deadlines for how and where meetings can be posted. He said this becomes difficult because the time it takes to get notice in the paper can vary by as much as a week.

Joe Kohout, representing United Cities of Sarpy County, testified in support noting that the measure addresses a practical problem that communities have faced. Reliance on newspapers creates legal liabilities for public bodies through no fault of their own.

Don Lease, Banner County, testified in support, stating the bill solves a lot of problems for rural Nebraska. He added that the state may eventually need to take it a step further and move to entirely digital notice.

Opponents

There was no opponent testimony.

Neutral

Kristen Hassebrook, Nebraska Press Association and Media Nebraska, testified in a neutral capacity. She noted that newspapers are pillars of public notice and record retention, and that Nebraska papers published over 125,000 notices last year. These notices are not merely informational, but part of the legal process. Newspapers have worked to modernize and incorporate new technologies. The Press Association remains neutral on the bill, contingent on setting the publication requirement at four times per year rather than two.

Written testimony was provided by 16 proponents, including the Central Platte NRD, and one opponent.

LB 1179 - Change provisions relating to the Agriculture and Natural Resources Committee of the Legislature, the Transportation Committee of the Legislature, and the Telecommunications and Technology Committee of the Legislature. DeBoer. Planning Committee priority bill.

The bill provides an opportunity to discuss creation of a new Committee of the Legislature – the Telecommunications and Technology Committee. This would also include merging the Ag and Natural Resources Committees of the Legislature. There was an interim study on this topic last fall. Included in the bill are several reference changes for reports submitted to the Ag, Natural Resources and Transportation Committee.

The Executive Board held the hearing for LB 1179 on Thursday, Feb. 12, 2026.

Sen. DeBoer discussed that the Legislative Committee changes proposed are based on efforts of LR 174. Ultimately the rules committee will be considering combining Ag and Natural Resources to become one three-day-a-week committee. The current Transportation and Telecommunications Committee would be separated, with Transportation becoming a two-day-a-week committee and a new Technology Committee would be established as a one-day-a-week committee. The Technology Committee would only handle telecommunications delivered technology.

Sen. DeBoer discussed that there are three pieces to making the committee structure change: first there would be the rule change, if that were to occur, then this bill would be needed to make the appropriate statutory updates. Lastly, this summer the rules committee would work on an LR to address referencing.

Sen. DeBoer asked that the bill be held in committee pending the effort of the Rules Committee.

There was no additional testimony. Letters for the record were submitted by one proponent and one opponent.

The Board reported no action on the measure.

LB 1183 - Change provisions relating to valuation of property. Lippincott.

The bill proposes to drop the taxable values of real property in half.

The Revenue Committee held the hearing for LB 1183 on Thursday, Feb. 5, 2026.

Senator Lippincott opened on the bill, stating it would provide a 50% cut in property taxes. Currently, 60% of our property taxes are paid to schools. Under the bill, schools would move to a block grant system, shifting $1.2 billion into direct support for each district and for teachers. He said the current system does not put people first, and this proposal would be a beneficial change to state statute for all real property. He described the bill as structural reform intended to restore boundaries and lower property taxes for the people.

Proponents

Doug Kagan, Nebraska Taxpayers for Freedom, testified in support. He stated that property taxes have increased significantly and described Nebraska's property tax system as archaic compared to other states. He said Nebraska's caps are not working because property taxes remain high instead of decreasing as they have in other states.

Eric Underwood testified in support, stating that people feel they have no opportunity to voice their opinions on high property taxes.

Allan Seybert, Nebraska Taxpayers for Freedom, testified in support of the bill, stating that most property values in Douglas County do not change every year, similar to Lancaster County, and said properties should be reevaluated every year.

Tom Nesbitt, testifying as a private citizen, supported the bill and restated that it would cut property taxes in half. He said the measure supports the people and provides immediate relief to all Nebraskans, including renters. He described the bill as a first step in helping fund schools while protecting Nebraska families.

Danna Seevers, testifying as a private citizen, stated that farmers are facing sharply increasing property taxes, putting them at risk. She said teachers and front-line workers have seen no benefits, and that the bill would put $2.6 billion back into the pockets of teachers, families, and farmers.

Doug Fitzgerald, testifying as a private citizen, reiterated the proposed 50% cut in property taxes and said the bill is about supporting the people and restoring trust.

Bruce Rieker, Nebraska Farm Bureau, testified in support on behalf of several agricultural groups. He said the bill is not their preferred option, but they support it because it would provide some short-term relief to taxpayers.

Opponents

John Cannon, Nebraska Association of County Officials, testified in opposition. He stated that the first people to complain about their taxes are the same people who complain about things like bad roads and said those services need to be funded locally rather than by the state.

Courtney Wittstruck, Nebraska Community College Association, testified in opposition, stating that reducing property taxes would increase financial risk and would raise constitutional concerns.

Connie Knoche testified in opposition, saying that this would result in funding cuts to schools. She stated that reducing the most recent property taxes would cause schools to have to cut services, as they would have to increase levies as much as possible.

Shane Rhian, Omaha Public School District, testified in opposition, stating it would be detrimental to all school districts statewide. Cutting property taxes in half would be catastrophic to schools, as it would negatively affect school financial aid.

Jack Moles, Nebraska Rural Community Schools Association (NRCSA), testified in opposition, restating it would be disastrous for most, if not all, schools in the state.

Dave Welsch, Milford Board of Education, testified in opposition, stating the bill is not a solution. His solution to property tax relief was to look at LB 1038.

There was no neutral testimony.

Letters for the record were submitted by 31 opponents and eight opponents.

The Committee reported no action on the measure.

LB 1215 - Adopt the Political Subdivision Contracting Transparency Act. McKinney.

The bill creates the Political Subdivision Contracting Transparency Act.

Under the proposal, a contracting agency shall remit full payment to a prime contractor no later than 30 days after receipt of an accepted invoice. The prime contractor shall remit full payment to all subcontractors no later than seven days after receiving payment from the contracting agency.

Contracting agency is defined in the bill as any political subdivision engaged in procurement of goods, services, or construction.

The bill also outlines that upon request of any unsuccessful bidder, the contracting agency has to provide a written or virtual post award debrief within 10 business days after receipt of such request. The debrief shall include, at minimum: (a) Evaluation criteria; (b) Strengths and weaknesses of the bid; (c) Aggregate scoring information; and (d) Any compliance deficiencies affecting award determination.

The debrief does not require disclosure of proprietary or confidential information submitted by any other bidder. Also, a contracting agency may withhold a debrief only in cases involving active litigation or state or federal security restrictions.

The bill also proposes that the Department of Administrative Services shall establish a single, public-facing, searchable, online procurement calendar listing each solicitation of $50,000 or more issued by any contracting agency. Each contracting agency shall post every solicitation at least 14 days prior to the bid due date.

Finally, the bill requires the Department of Economic Development, in consultation with the Urban Affairs Committee of the Legislature, to develop a uniform small-business procurement readiness checklist for use by contracting agencies. The checklist shall include: (a) Required registrations; (b) Insurance and bonding requirements; (c) Compliance documentation; (d) Bid-submission requirements; (e) Project-readiness indicators; and (f) Availability of a mobilization micro-advance.

The bill requires the checklist to be made publicly available.

The Government Committee held the hearing for LB 1215 on Thursday, Feb. 26, 2026.

Sen. McKinney opened the hearing suggesting the intent is to establish a clear and consistent baseline for how contract postings and payments are made. He discussed political subdivisions are operating under a fragmented system - some provide feedback to unsuccessful bidders, and some do not. This bill provides payment predictability for contractors and subcontractors. The bill provides procurement visibility by creating a single facing location for contracts over $50k. The bill also creates post award debriefs. This bill does not invalidate contracts and does not create penalties. Sen. McKinney highlighted the bill modernizes political subdivisions contracting process and creates competition to save money. Sen. McKinney discussed that the fiscal note is off, as the bill does not create a new regulatory system and he is willing to work on the bill to clarify that.

Proponents

April Hibbler, US Small Business Administration and Nebraska Opportunity Exchange, testified that she has consulted with 1,000 small businesses and more than 700 of them have expressed interest in government contracts. She has heard about inconsistent posting for contracts and delayed subcontractor payments. Hibbler discussed that

the fiscal note needs clarified, as the bill does not result in a requirement for any new software or new staffing. Other states like Texas, Iowa, and Missouri have implemented similar measures.

David Akpan, Small Business Owner, testified that contractors are completing projects and waiting 60, 90, and sometimes in excess of 100 days to get paid. These small businesses and contractors cannot afford to wait for payment.

Opponents

Beth Bazyn Ferrell, NACO, testified that they appreciate the goals of the bill and recognize that there are many variations in the bidding processes. Currently, counties are subject to the County Purchasing Act. The County Purchasing Act requirements do not align with LB 1215. They would recommend rather than the bill providing a specific dollar amount, language that allows whatever dollar amount that entity has established to trigger competitive bidding would be preferred. Currently, there are eleven different elements that counties consider when evaluating bids. Ferrell discussed that items considered and discussed when reviewing bids are already subject to public records requests.

In closing, Sen. McKinney discussed that contractors find it difficult to navigate procurement processes and the goal of this bill is to address that.

Written testimony was submitted for the record by six proponents and one opponent. The Committee reported no immediate action on the measure.

LB 1219 - Limit the amount of property taxes that may be levied by a political subdivision. Brandt. Hansen Priority. Hansen Priority.

Ben Hansen filed a motion to bring LB 834 back from Final Reading to attach a modified version of LB 1219 to the bill. The amendment, AM 3142, would limit property tax increases from political subdivisions to 2.5%. The political subdivision could increase the tax beyond 2.5% by a 60% affirmative vote of the electors in the political subdivision at a special, primary or general selection. The cost of the election would be the responsibility of the political subdivision.

That prompted Senator Raybould to file a motion to recommit the bill to committee. Debate continued until Senator Hansen withdrew his amendment. Subsequently, Senator Raybould withdrew her motion to recommit, and LB 834 was approved by a 46-3 vote.

The bill, LB 834, was not a bill NARD was following. It made several changes relating to county assessors, the Property Tax Administrator, real property assessments, delinquent taxes owed to counties, and remission of sales and use taxes.

The Revenue Committee reported LB 1219 to General File on Feb. 24, 2026, on a 6-1-1 vote. Sen. Hansen declared the bill as his 2026 priority measure.

The bill proposes that beginning Jan. 1, 2027, the total amount of property taxes that may be levied by a political subdivision in any year shall not exceed the total amount levied in the prior year by more than the allowable growth percentage.

(a) Allowable growth percentage means a percentage equal to the sum of (i) two percent plus (ii) the political subdivision's real growth percentage;

(b) Real growth percentage means the percentage obtained by dividing (i) the political subdivision's real growth value by (ii) the political subdivision's total property valuation from the prior year; and

(c) Real growth value means the increase in a political subdivision's total property valuation from the prior year to the current year due to (i) improvements to real property as a result of new construction and additions to existing buildings, (ii) any other improvements to real property which increase the value of such property, (iii) annexation of real property by the political subdivision, (iv) a change in the use of real property, and (v) any increase in personal property valuation over the prior year.

The Revenue Committee held the hearing for LB 1219 and LR 317 CA jointly, on Thursday, Feb. 5, 2026.

Senator Brandt opened on the proposals, stating the measures are intended to put guardrails on property taxes. The CA would allow citizens to vote on the proposal. This is an affordability crisis for taxpayers. Senator Brandt said he prefers LB 1219 because it can be paired with other tax proposals to make a greater impact.

Proponents

Doug Kagan, Nebraska Taxpayer for Freedom, testified in support of the measures. He stated that Nebraska taxpayers deserve a tight and secure lid on their property taxes.

Allan Seybert, Nebraska Taxpayers for Freedom, testified in support, stating the measures would provide real property tax relief.

Bruce Rieker, Nebraska Farm Bureau, testified in support on behalf of several agriculture groups. He stated that in 16 counties, property taxes grew faster than real economic growth. He said a 2% cap would significantly reduce property tax growth, estimating it would result in $1.5 billion less in taxes than if no changes were made. He also noted property taxes would have increased by about $160 million last year under the cap, instead of roughly double that amount.

Opponents

Jack Moles, Nebraska Rural Community Schools Association (NRCSA), testified in opposition, stating these bills would fail to meet the needs of most political subdivisions, including public schools. He said his organization is not opposed to raising teachers' salaries but the bills do not provide a clear vision of the proposed 2% cap, and NRCSA cannot support them.

Steven Curtiss, City of Omaha finance director, testified in opposition, stating that the majority of Omaha's expenses are personnel. He said the city has already struggled to adequately fund law enforcement, including hiring new officers and purchasing equipment, due to budget constraints.

Meg Harris, City of LaVista Finance Director, testified in opposition, stating that TIF is essential to LaVista as it has created new opportunities that attract new visitors and tourism to Nebraska, which wouldn't exist without TIF.

Courtney Wittstruck, Nebraska Community College Association, testified in opposition, stating that the measure removes a financial safety net for community colleges.

Shane Rhian, Omaha Public Schools, testified in opposition, stating that the bill would provide very limited flexibility for schools to adopt transformations in their funding structures. These bills would restrict property tax revenues and reduce overall funding for public schools. He noted these bills would likely cause teachers to leave, as they are dealing with inflation on top of these caps. He said that the foundation aid didn't give them any funding in OPS, unlike other schools that did receive funding.

Larianne Polk, Educational Service Units (ESUs), testified in opposition, stating that they are concerned about how the ESU funding system responds to a reduction in capacity. She stated that these bills are concerning because there is no mechanism within these bills to repair any losses. She noted there is no guarantee that the dollars will be restored.

Jon Cannon, Nebraska Association of County Officials, testified in opposition, stating that reduced road funding would directly affect the agricultural sector. He said the state is not providing additional financial support while imposing caps on counties.

Christy Abraham, League of Nebraska Municipalities, testified in opposition, stating municipalities need more time to work and grow under the cap that was placed a year ago.

Gary Kubicek, Nebraska Association of School Boards, testified in opposition, noting these are one-size-fits-all bills. He said they would restrict the financial flexibility needed to maintain safe and effective learning environments and could conflict with existing legal frameworks for school districts.

Neutral

Craig Bohz, a farmer in Southeast Nebraska, testified in a neutral capacity. He told the committee that if the Legislature had capped spending at 2% in 1998, the state would not be facing the current situation. He said the state needs a hard cap on spending, needs to eliminate the TEEOSA formula, and needs to address valuations, noting that only about 1% of property sells each year yet those sales set values for the other 99%. He also suggested limiting the number of school districts statewide to 50.

In closing, Senator Brandt discussed that Jefferson County only has two or three farms sold each year, and yet they revalue all 500 farms on those sales. Lancaster County ag valuations went up 42% last year. With producers underwater on corn by $0.40-$0.50 per bushel, it's a crime to see these increases. Senator Brandt told the committee if the measure comes out of committee, it would be his personal priority.

LR 292CA - Constitutional amendment to provide a new method of valuing real property for property tax purposes, provide a limit on property tax increases, provide certain exceptions, provide requirements for declared emergencies, provide for emergency bond levies, and eliminate conflicting constitutional provisions. Andersen. Andersen Priority.

The constitutional amendment proposes to establish two valuations for each parcel of real property. First, a fair market value would be assessed uniformly and proportionately upon all real property. Second, a taxable market value would be established and used for purposes of valuing real property for property tax purposes. Taxable market value would be defined as the assessed value of the real property for 2026.

For nonagricultural land, the taxable market value shall be one hundred percent of the property's fair market value.

For agricultural land, the taxable market value shall be adjusted to seventy-five percent of the property's fair market value. Except that for property taxes levied by a school district to pay the principal and interest on bonds that are approved by a vote of the people on or after January 1, 2022, the taxable market value shall be adjusted to fifty percent of the property's fair market value.

The measure proposes that property taxes levied on any parcel of real property shall not increase, from one year to the next, by more than the allowable growth percentage. Allowable growth percentage means the percentage change in the Consumer Price Index.

Exceptions would include adjustments as defined for property when purchased, when newly constructed, when combining parcels, or when a change of ownership has occurred after the 2026 assessment.

Additionally, the amendment would establish a constitutional basis for emergency bond authorizations that can be levied outside the normal property tax limitation framework when necessary. An emergency shall only be declared by an appropriate government official, as determined by the Legislature. During an officially declared emergency if there is a financial need for any local taxing entity which cannot be funded by previously appropriated funds, an election may be conducted to authorize a special bond levy, as determined by the Legislature.

Such authorization shall at a minimum require at least half of the registered voters of such local taxing entity to vote in the election and at least two-thirds of votes cast in the election in favor of the authorization.

The Revenue Committee held the hearing for LR 292CA on Thursday, Feb. 12, 2026.

Sen. Andersen, as amended by AM 2052, introduced LR 292CA to change the system of valuation and property tax increases. He explained that his constituents have asked him to work on property tax reform, noting that it is unfair to punish someone or force them to sell their home because property taxes have risen to unaffordable levels. He stated that it is also unfair that families, children, and the elderly are being taxed out of their homes.

The proposal is intended to stop taxing people out of their homes and create property tax stability for all residents of Nebraska. Sen. Andersen discussed valuations, fair market value, and taxable market value, and outlined how valuations are established, as well as what does and does not impact taxable market value. He explained that there are two categories of land under the proposal: agricultural land and all other real property.

Proponents

Jack Baum, Americans for Tax Reform, testified that unsustainable property tax growth has been an ongoing problem. According to research, Nebraska ranks fourth nationwide in property taxes, and he said the state cannot afford to remain near the top. He noted that families and farmers are penalized simply to maintain and live in their homes. He emphasized that predictability in tax policy is essential for long-term planning, and that property taxes are one of the largest and most unpredictable costs. While meaningful reform will require multiple policy changes, he described this proposal as a step in the right direction and noted that many states have adopted limits that cap annual increases.

Doug Kagan, Nebraska Taxpayers for Freedom, stated that current tax credits are only band-aids, and existing limits on taxing authority are ineffective. He said the proposal would help homeowners understand future tax liabilities and allow property owners to better plan personal finances and household budgets, since taxes would not increase unpredictably each year. He added that the plan could help attract residents and businesses to Nebraska communities and would allow taxpayers to vote on the measure.

Alan Seybert testified that property owners in Nebraska have experienced increases driven by rising valuations. He said the bill offers solutions by defining fair market value and assessed value, and by tying tax growth to the CPI index. He added that the county assessor process could become more efficient, appeals could decrease significantly, and school tax credits could potentially be eliminated.

Opponents

Dean Edson, submitted testimony in opposition on behalf of NARD.

We want to state up front that we are not opposed to property tax reform. The Natural Resources Districts (NRDs) are very concerned about the heavy reliance on property taxes to fund schools and other political subdivisions.

We are opposed to putting something in the constitution that is a major change to our tax system that may end up with unintended consequences. Rather, we are willing to work with interested parties to work out statutory changes to achieve meaningful property tax relief.

We pledge to work with the Legislature and Governor Pillen on reasonable property tax reform measures. Recent actions have started down a path that addresses equitable school finance and property tax relief. We support reforms that reduce property tax reliance and provide adequate funding for both rural and urban areas.

We oppose restrictions on local budgets that harm the ability of local governments to:

1) Implement programs and projects to meet federal and state mandated programs;

2) Make local annual adjustments to meet the needs of the local citizens;

3) Adequately fund both rural and urban needs; and

4) Provide local funding for efficient natural resources programs that protect water quality, water quantity, soil, property and the economy.

Because of our NRD system, Nebraska has managed the state's natural resources in a manner that protects lives, property, and the future through conservation of our natural resources. This success is due to the local control

granted to locally elected NRD directors, and their ability to manage budgets and resources in a manner that best meets the needs of the local citizens.

NRDs construct and manage a variety of projects. For example, NRDs in the state-mandated, fully and over-appropriated areas must develop and pay for offset programs that provide water needed to meet that requirement. The programs must ensure state compliance with compacts, state agreements, while also protecting existing water users.

Other programs include flood control projects necessary to protect lives and property in Nebraska's most flood-prone rural and urban watersheds. Those projects take years to plan and construct. Once completed, the tax request goes down. The nature of natural resources management programs results in year-to-year fluctuations in budgetary needs.

Allowing locally elected NRD boards to make annual budget adjustments ensures they can adequately fund critical projects, when necessary, while maintaining the flexibility and incentive to reduce budgets when conditions allow. This year, despite ongoing inflation and increasing costs, 10 of the 23 NRD boards voted to reduce or request a 0% increase in their tax asking. One district decreased their tax request by 16% following completion of projects.

The property taxes from the NRDs are used to leverage other federal and state funding. For example, in the current FY 25-26, NRDs levied $98.2 million in property taxes, which helped secure an additional $264.5 million in other funding, bringing the total investment for natural resources management to $362.7 million.

Nebraska's locally governed NRD system is widely envied as a national model. Other states, including California, are exploring management frameworks like Nebraska's NRDs after seeing their groundwater resources depleted – but they're 50 years too late.

I would urge the committee to keep working together on statutory programs to bring property tax relief. Putting something in the constitution does not necessarily bring the promise of relief for all. It also makes it very difficult to fix when problems arise.

We urge the committee not to advance LR 292 CA.

John Cannon, Executive Director for NACO, appreciated the effort Sen. Andersen put into the bill. He noted it could mean less work related to the homestead exemption and could eliminate the county appeal process. However, he said that on the tax side, the proposal does not change much. Valuation is a function of the system, not the driver of the tax bill. If something like this had been in place 10 years ago, levy rates would likely be lower overall, but the effect on the total tax load would be a mixed bag. At the individual level, he said everyone should pay their fair share and taxes should be levied uniformly, which this constitutional amendment would not allow. He gave an example of an average market value of a house worth $1.6 million resulting in $16,000 in taxes at a one-percent rate, while a similar home which was purchased many years ago could pay significantly less. He emphasized that valuations are only one part of the equation and levy caps are another.

Meg Harris, City of La Vista and United Cities of Sarpy County, said they recognize the need to reduce property taxes, but cannot support the proposal without addressing existing levy caps. She explained that La Vista has a limited property tax base and must support infrastructure that strains the budget. The concern is the parcel tax limits combined with existing caps, leaving no room to adjust. She said eventually every political subdivision would reach its cap. Over the next 10 years, the city could lose $40 million in taxes, forcing reductions or elimination of community services, with impacts compounding annually. She urged addressing levy cap issues before advancing the amendment.

Courtney Wittstruck, Nebraska Community College Association, said there was major reform in 2023 that replaced local property taxes with increased state support. She explained that both levy caps and valuation reductions would undo the funding model crafted in 2023. If the state were ever unable to meet its funding commitment, community colleges could reinstate their levy limits to recover the shortfall. She noted that the two-cent levy is the only tool available for capital needs or bond repayment, and the current funding model reflects a compromise intended to provide property tax relief.

Kyle Fairbairn, Greater Nebraska Schools Association, recommended working with the TEEOSA funding committee to address the issue. He explained the TEEOSA formula and provided examples of the potential impacts.

Kim Zwiener, Nebraska Realtors Association, testified that the proposal would reduce mobility and inventory in Nebraska's real estate market. She said similar proposals in other states have produced unintended consequences, including situations where downsizing results in the same or higher tax burden. As a result, many homeowners choose not to move, reducing housing availability, tightening the market, and making it harder for first-time buyers. She cautioned against changes that could slow down the housing market.

Connie Knoche, Open Sky Policy Institute, testified in opposition for two main reasons: the negative effects on local government entities that rely on tax levies, and violations of sound tax policy practices. She said a bifurcated valuation system that freezes property at 2026 values would be problematic, and that using CPI-U is not a good proxy for local spending. She also stated that assessment caps violate basic tax policy principles.

Colby Coash, Nebraska Association of School Boards, said that because this is a constitutional amendment, there is no direct connection to the state funding formula, so the consequences are uncertain. He referenced California's Proposition 13, noting that before its passage, property taxes accounted for about 60 percent of school budgets. After passage, local school revenue declined roughly 50 percent, requiring the state to step in and distribute funds. He said California once had one of the best school funding systems in the country and now ranks 38th and expressed concern about similar long-term consequences.

Lynn Rex, League of Nebraska Municipalities, expressed concerns related to levy caps, noting that over half of municipalities are already at their caps. She said the constitutional amendment would not allow flexibility. She also raised concerns about housing availability and people choosing not to move. She concluded that the amendment would create inequities among property taxpayers.

Neutral

Bruce Rieker, Nebraska Farm Bureau and representing the Ag Leaders Organizations, outlined both strengths and concerns with the proposal. He said the strengths include a more stable and predictable system, market-based reassessment, fewer major tax spikes, and standards for emergency levies. However, he expressed concerns that it would be difficult to correct problems once placed in the Constitution and raised questions about whether it could violate the single-subject rule.

Nicole Fox, Tax Foundation, testified that property tax valuation systems vary widely among states, including rate limits and assessment limits. She noted that Nebraska is currently ranked 46th in property tax competitiveness. She said assessment limits violate tax neutrality and can shift the tax burden, making homeownership more difficult for first-time buyers who have fewer resources. She also explained that assessment limits can result in newer homes being taxed more heavily, worsening housing affordability. In addition, she noted the proposal would not prevent local taxing jurisdictions from increasing levy rates.

In closing, Sen. Andersen noted that six of the testifiers represented entities that receive tax dollars. He found it telling that there was very little discussion about the individuals who can no longer afford to stay in their homes or buy a house. Many of the concerns seemed focused on maintaining the status quo and preserving existing taxing authority.

Sen. Andersen emphasized that when budgets are discussed, political subdivisions rarely talk about reducing their own spending. Individuals and businesses, however, live within budgets every day. When they can't afford something, they have to make difficult choices and cut back. He expressed concern that this same discipline is often missing in government budgeting.

He also addressed comparisons to California's Proposition 13, noting that the impacts of Proposition 13 are not what is being proposed in this bill and that those comparisons are not accurate.

Sen. Andersen stressed the importance of focusing on what government can realistically afford and adjusting spending to match available resources, rather than continually increasing the burden on taxpayers.

He closed by asking whether it is the Legislature's responsibility to find solutions to this problem. Sen. Andersen thanked everyone who took the time to testify and share their perspectives. He noted that this proposal is the

beginning of the conversation about how to provide stability for taxpayers, not the final answer, and that he is committed to working through any necessary changes to find a workable solution.

Written testimony was submitted by 17 proponents, 10 opponents, and one neutral.

The Committee reported no action on the measure.

LR 298CA - Constitutional amendment to create requirements for the use of the Nebraska Environmental Trust Fund (NETF). Brandt.

The proposed constitutional amendment to make changes to the Nebraska Environmental Trust Fund was scheduled for General File Debate on Thursday, April 2, 2026. It was pulled from the agenda later that morning after the discussion between Speaker Arch and Senator Brandt. Senator Brandt let the speaker know he did not have sufficient votes to overcome the 33-vote threshold to end debate. The speaker then announced he was taking the proposal off the agenda.

The Natural Resources Committee reported the measure to General File on March 5, 2026, on a 8-0 vote with Committee Amendment (AM 2400). The Committee Amendment makes two changes as follows:

1) Strikes language in the original proposal that grants could only be awarded to tax-exempt entities, political subdivisions, or state agencies.

2) Changes the fifty-percent matching funds requirement for state agency projects. The original language was deleted that the 50% match for state agencies had to be provided by a political subdivision, the federal government, or private donors. The new language proposed requires that the funds must come from sources other than the NETF, Nebraska state income or sales tax, or funds sourced or derived from such taxes.

The proposed constitutional amendment would add language to clarify the funds provided to the Nebraska Environmental Trust Fund are to be used exclusively by the Nebraska Environmental Trust.

The Natural Resources Committee held the hearing for LR 298CA on Thursday, Feb. 19, 2026.

Sen. Brandt introduced LR 298CA stating it is grounded in a simple principle: the people of Nebraska were told that lottery dollars would support our natural resources. Of those proceeds, 44.5 percent was allocated to the Nebraska Environmental Trust (NET). Over time, however, transfers have also been made out of the Trust, raising concerns about long-term stability and voter intent.

We recognize there are technical issues with the current draft of the bill, and we are actively working on an amendment to address those concerns. The goal is to provide long-term certainty and protection for Trust funds. Ensuring that these dollars remain dedicated to their intended purpose is a priority for Senator Brandt.

“Why is reaffirmation necessary if the law is already in place?” The answer is clarity and certainty. This proposal seeks clear constitutional affirmation that these funds cannot be swept or redirected in a way that undermines the intent of Nebraska voters.
LR 298CA is about honoring that commitment and protecting funding for our state’s natural resources.

Proponents

Brian Bruckner, General Manager for the Lower Elkhorn Natural Resources District, submitted written testimony in support on behalf of the LENRD.

The LENRD serves 15 counties in northeast Nebraska and has leveraged more than $2.6 million from the Nebraska Environmental Trust (NET) since 1994. Without these funds, we would have been forced to increase our property tax requirement to support innovative projects benefiting our residents.

Proposed transfers from the NET in Governor Pillen’s mid-biennium budget have drawn significant public concern. Nebraskans are engaging at hearings, contacting senators, and expressing worry about protecting the Trust and maintaining confidence in government decision-making. When voters supported dedicating lottery proceeds to the NET, they agreed that these funds should be allocated to qualified applicants and eligible projects—not redirected

for general operating expenses of state agencies or ceded to executive or legislative control. Yet these types of transfers have occurred before and are once again being proposed in the current budget debate.

Since 1994, the LENRD has leveraged $2,628,758 in NET funding, matched by nearly $5 million in local funds. These dollars have supported major projects, including:

• Aerial Electromagnetic Mapping to define aquifer boundaries and improve groundwater quantity management.

• The Bazile Groundwater Management Area Project, the first groundwater management plan authorized to use EPA Section 319 funds to address nitrate contamination.

• The Skyview Lake Wetlands Project in Norfolk, constructed to provide flood protection and now a valued community recreation area for fishing, kayaking, and trail use.

Current NET-funded projects include the LENRD Flow Meter Telemetry Project, which incentivizes real-time groundwater-use monitoring and supports compliance with groundwater allocation requirements, and the LENRD Groundwater for Public Health Project, which is collecting water quality samples from nearly 600 locations to study connections between groundwater chemistry and human health.

Additionally, the LENRD was recently informed of an award of $545,490 for the Observing Water and Nutrient Mobility in the Vadose Zone Project, a three-year effort aimed at improving groundwater quality monitoring and identifying agricultural practices beneficial for protecting water resources. We are concerned that continued or future transfers from the NET may jeopardize funding availability throughout the project's duration.

These examples demonstrate that NET funding has allowed us to maximize locally raised dollars. Continued diversion of NET funds to state agency budgets would hinder our ability to fulfill our statutory responsibilities and force increased reliance on property taxes. Furthermore, NET grant contracts impose rigorous reporting requirements on recipients, yet it remains unclear whether state agencies benefiting from these transfers will be held to the same accountability standards.

On behalf of the Lower Elkhorn Natural Resources District, I encourage you to make this measure a committee priority and to provide your unwavering support for the adoption of the resolution by the Nebraska Unicameral.

David Potter, General Manager Lower Platte South NRD, submitted written testimony in support on behalf of the LPSNRD.

I respectfully urge you to support LR298CA, introduced by Senator Brandt, to strengthen constitutional protections for the Nebraska Environmental Trust.

Since 1994, the Trust has operated as a competitive, statewide program, providing benefits to every legislative district and every Natural Resources District (NRD). This structure promotes fairness, accountability, and responsible stewardship of public funds.

Through this competitive process, the Lower Platte South NRD has received more than $3.36 million, allowing us to implement critical conservation and water management projects without increasing property taxes. These funds have helped us meet local needs while protecting taxpayers. Lower Platte South NRD currently has an approved NET project that is critical to the flood reduction effort on Deadman's Run in Lincoln between 48th Street and Cornhusker Highway. The approved $687,000 of Trust funds are key to designing and constructing a wetlands complex and detention basin on UNL's East Campus necessary for the overall 30-million-dollar Deadman's Run Flood Reduction Project which will remove nearly 480 properties from the mapped floodplain and benefit public safety.

The Nebraska Environmental Trust was enshrined in the Nebraska Constitution by Nebraska voters. Diverting Trust dollars disregards voter intent, undermines confidence in constitutionally protected programs, and breaks down the trust of the voters of Nebraska.

We urge your support for LR298CA to ensure the Nebraska Environmental Trust remains stable and protected. Uncertainty weakens the Trust and limits the ability of NRDs, local governments, and nonprofit partners to carry out cost-effective conservation work across Nebraska.

The Nebraska Environmental Trust is working as intended. It should be protected—not raided. We encourage you to protect the Trust now and into the future.

NARD submitted written testimony in support of the measure. Nebraska's NRDs have used the Nebraska Environmental Trust (NET) funds extensively since its inception. These funds have helped protect natural resource projects across Nebraska.

The trust funding has also filled gaps when state budgets have been reduced. It is our preference that all water and soil conservation funds would be fully funded, as well as NET. Recent proposals put the NRDs in a precarious position of either choosing to leave excess funds in the NET and receiving no general fund dollars in the Water Resources Cash Fund, Nebraska Soil and Water Conservation Fund and Water Sustainability Fund.

This uncertainty limits the ability for NRDs to implement cost share and other programs to protect and enhance natural resource projects. It is our understanding that the grants approved this past year are going to be fully funded and after the transfers proposed by Governor Pillen, there will be more than $20 million still available.

We hope that stabilizing the NETF with LR 298 CA will assist in securing funding for grant projects. We would also encourage support for funding other dedicated funds for the Water Resources Cash Fund, Nebraska Soil and Water Conservation Fund and Water Sustainability Fund.

Anne DeVries testified in support of protecting the NET. She noted that NET has funded countless projects protecting Nebraska's natural resources. She volunteered for many years as an engineer reviewer and has seen the Trust's impact firsthand. She expressed concern about recent transfers from the Trust and urged stronger protections to ensure funds remain dedicated to their original purpose.

Tracy Bruckner, National Audubon Society, testified that LR 298CA would codify and protect the voter-approved grant process. NET was created to support community-led conservation, including vital Platte River projects that protect threatened and endangered species. She noted that her organization has leveraged $3.3 million in NET funding to secure $6.6 million in partner funding, with 72% of matching dollars coming from private donors. Continued transfers threaten those private investments. She emphasized that NET has historically enjoyed bipartisan support and argued that agency operations should be funded through the general budget rather than through Trust sweeps.

Katie Torpy, The Nature Conservancy, urged reaffirmation and protection of NET. She stated that the Trust is increasingly being treated as a budget-balancing mechanism. Over the past three years, $29 million has been transferred from the Trust without required matching funds. She noted that lottery revenue was voter-directed and should remain protected, including interest earnings currently directed to the General Fund.

John Bender, Friends of the Nebraska Environmental Trust, strongly supported LR 298CA. He reminded the committee that Nebraska voters approved lottery funding for NET in 1992 to support habitat protection, water quality improvements, and conservation projects statewide. NET grants allow local organizations to implement projects beyond the scope of routine state operations. He warned that continued transfers undermine the Trust and erode voter intent. He emphasized that voters should retain a voice in how these funds are used.

Dan Kloock, Nebraska Ducks Unlimited, testified that many Ducks Unlimited wetland conservation projects depend on NET funding. When NET grants are secured, DU brings technical expertise and additional funding to enhance wetlands across Nebraska. He emphasized the importance of maintaining stable Trust funding.

Matthew Grundorad, Nebraska Wildlife Society, stated that LR 298CA is necessary in light of recent and proposed sweeps of NET funds in the Governor's budget. Trust dollars support community-driven projects with measurable environmental benefits. He emphasized that NET funds attract additional outside investment into Nebraska and should not be used to balance the state budget. The Trust is constitutionally directed and should remain protected.

Alex McKener, Robinette Farms, testified that NET has made significant environmental investments across nearly every county in Nebraska. He expressed concern about new contract language allowing grants to be canceled at any

time, creating uncertainty for reimbursement-based grants. He noted that applicants must secure matching funds and compete statewide, and without funding certainty, projects become financially risky. He argued that even if all NET funds were redirected to property tax relief, the impact on individual tax bills would be minimal.

Russ Souchek, Nebraska Wildlife Federation, shared firsthand examples of NET's effectiveness as a conservation tool. He warned that repeated fund sweeps create a precedent that could ultimately gut the Trust, override voter intent, and destabilize long-term conservation efforts.

Carmen Miller, Ducks Unlimited – Great Plains Region, emphasized Nebraska's leadership in committing lottery funding to conservation and encouraged protecting that commitment.

Al Davis, Sierra Club, spoke in support of preserving NET funding as originally structured by voters.

Katie Lampke, Conservation Biologist, testified in support of protecting the Trust to ensure continued conservation and environmental benefits statewide.

Opponents

There was no opposition testimony.

Neutral

Shelly Kelly, a rancher from Broken Bow and Executive Director of the Sandhills Task Force, testified in a neutral capacity while expressing strong support for preserving the NET program. She stated that it is not appropriate to restrict who may apply for funding, noting that applications are carefully reviewed and monitored through an established process. She encouraged the removal of any restrictive list limiting eligible applicants.

Kelly highlighted the work supported through NET funding, including management of eastern red cedar encroachment, restoration of degraded streams and wetlands, protection of grasslands, and placement of approximately 13 interns annually through an internship and apprenticeship program. Her organization employs four full-time staff members, and approximately 30% of its budget is derived from NET grants. She explained that the loss of NET funding would not only eliminate direct financial support but also jeopardize leveraged funding from other sources, which could ultimately force the organization to cease operations.

In closing, Sen. Brandt said it is worth noting that many of the online opponents ultimately expressed support for LR 298CA but raised questions about eligibility and who may apply for funds. We recognize the concern raised by the neutral testifier regarding applicant qualifications, and that is an issue he is actively working to clarify.

Brandt also reviewed several recipients of Nebraska Environmental Trust funding and highlighted the significant matching dollars those grants have leveraged. NET funding consistently brings additional private and partner investment into Nebraska, multiplying its impact across the state.
The Nebraska Environmental Trust is widely regarded as a model program and is truly the envy of the Midwest. LR 298CA ensures we protect that legacy and honor the intent of Nebraska voters.

Written testimony was submitted by 110 proponents, 10 opponents, and two neutral.

LR 317CA - Constitutional amendment to limit the annual growth in the amount of property taxes levied by political subdivisions. Brandt.

Beginning Jan. 1, 2027, the total amount of property taxes that may be levied by a political subdivision in any year shall not exceed the total amount levied in the prior year by more than the allowable growth percentage.

(a) Allowable growth percentage means a percentage equal to the sum of (i) two percent plus (ii) the political subdivision's real growth percentage;

(b) Real growth percentage means the percentage obtained by dividing (i) the political subdivision's real growth value by (ii) the political subdivision's total property valuation from the prior year; and

(c) Real growth value means the increase in a political subdivision's total property valuation from the prior year to the current year due to (i) improvements to real property as a result of new construction and additions to existing buildings, (ii) any other improvements to real property which increase the value of such property, (iii) annexation of real property by the political subdivision, (iv) a change in the use of real property, and (v) any increase in personal property valuation over the prior year.

The Revenue Committee held the hearing for LB 1219 and LR 317 CA jointly, on Thursday, Feb. 5, 2026.

Senator Brandt opened on the proposals, stating the measures are intended to put guardrails on property taxes. The CA would allow citizens to vote on the proposal. This is an affordability crisis for taxpayers. Senator Brandt said he prefers LB 1219 because it can be paired with other tax proposals to make a greater impact.

Proponents

Doug Kagan, Nebraska Taxpayer for Freedom, testified in support of the measures. He stated that Nebraska taxpayers deserve a tight and secure lid on their property taxes.

Allan Seybert, Nebraska Taxpayers for Freedom, testified in support, stating the measures would provide real property tax relief.

Bruce Rieker, Nebraska Farm Bureau, testified in support on behalf of several agriculture groups. He stated that in 16 counties, property taxes grew faster than real economic growth. He said a 2% cap would significantly reduce property tax growth, estimating it would result in $1.5 billion less in taxes than if no changes were made. He also noted property taxes would have increased by about $160 million last year under the cap, instead of roughly double that amount.

Opponents

Jack Moles, Nebraska Rural Community Schools Association (NRCSA), testified in opposition, stating these bills would fail to meet the needs of most political subdivisions, including public schools. He said his organization is not opposed to raising teachers' salaries but the bills do not provide a clear vision of the proposed 2% cap, and NRCSA cannot support them.

Steven Curtiss, City of Omaha finance director, testified in opposition, stating that the majority of Omaha's expenses are personnel. He said the city has already struggled to adequately fund law enforcement, including hiring new officers and purchasing equipment, due to budget constraints.

Meg Harris, City of LaVista Finance Director, testified in opposition, stating that TIF is essential to LaVista as it has created new opportunities that attract new visitors and tourism to Nebraska, which wouldn't exist without TIF.

Courtney Wittstruck, Nebraska Community College Association, testified in opposition, stating that they remove a financial safety net for community colleges.

Shane Rhian, Omaha Public Schools, testified in opposition, stating that these bills would provide very limited flexibility for schools to adopt transformations in their funding structures. These bills would restrict property tax revenues and reduce overall funding for public schools. He noted these bills would likely cause teachers to leave, as they are dealing with inflation on top of these caps. He said that the foundation aid didn't give them any funding in OPS, unlike other schools that did receive funding.

Larianne Polk, Educational Service Units (ESUs), testified in opposition, stating that they are concerned about how the ESU funding system responds to a reduction in capacity. She stated that these bills are concerning because there is no mechanism within these bills to repair any losses. She noted there is no guarantee that the dollars will be restored.

Jon Cannon, Nebraska Association of County Officials, testified in opposition, stating that reduced road funding would directly affect the agricultural sector. He said the state is not providing additional financial support while imposing caps on counties.

Christy Abraham, League of Nebraska Municipalities, testified in opposition, stating municipalities needs more time to work and grow under the cap that was placed a year ago.

Gary Kubicek, Nebraska Association of School Boards, testified in opposition, noting these are one-size-fits-all bills. He said they would restrict the financial flexibility needed to maintain safe and effective learning environments and could conflict with existing legal frameworks for school districts.

Neutral

Craig Bohz, a farmer in Southeast Nebraska, testified in a neutral capacity. He told the committee that if the Legislature had capped spending at 2% in 1998, the state would not be facing the current situation. He said the state needs a hard cap on spending, needs to eliminate the TEEOSA formula, and needs to address valuations, noting that only about 1% of property sells each year yet those sales set values for the other 99%. He also suggested limiting the number of school districts statewide to 50.

In closing, Senator Brandt discussed that Jefferson County only has two or three farms sold each year, and yet they revalue all 500 farms on those sales. Lancaster County ag valuations went up 42% last year. With producers underwater on corn by $0.40-$0.50 per bushel, it's just a crime. Senator Brandt told the committee if the measure comes out of committee, it would be his personal priority.

Section Four – Interim Study Resolutions Introduced in 2026

Interim Studies -- The following is the list of Interim Study Resolutions introduced in 2026 that are of interest to natural resources districts.

A link to all interim studies introduced can be found at: Nebraska Legislature - Interim Study Resolutions

LR 429 - Interim study to evaluate the compensation of members of the governing bodies of political subdivisions. Clouse.

The purpose of this resolution is to propose an interim study to evaluate the compensation of members of the governing bodies of political subdivisions.

The study shall focus on how often such members vote to increase their own wages and rules and regulations in place regarding such votes. The Government, Military and Veterans Affairs Committee of the Legislature shall be designated to conduct an interim study to carry out the purposes of this resolution.

The committee shall upon the conclusion of its study make a report of its findings, together with its recommendations, to the Legislative Council or Legislature.

LR 449 - Interim study to examine state resources and programs to assist with recovery and restoration of agricultural lands that have suffered from devastating wildfires within the state. DeKay.

The purpose of this resolution is to propose an interim study to examine:

(1) State resources and programs to assist with recovery and restoration of agricultural lands that have suffered from devastating wildfires within the state;

(2) The loss of agricultural productivity from such wildfires;

(3) Agricultural-resource degradation from such wildfires and the effects of such resource degradation;

(4) Federal, state, and local government responses to such wildfires;

(5) Available programs and assistance that are available to respond to the agricultural damage caused by such wildfires; and

(6) Recommendations to enhance this state's capability to facilitate long term recovery from such wildfires.

The Agriculture Committee of the Legislature shall be designated to conduct an interim study to carry out the purposes of this resolution.

The committee shall upon the conclusion of its study make a report of its findings, together with its recommendations, to the Legislative Council or Legislature.