Nebraska's Natural Resources Districts
www.nrdnet.org
Protecting Lives • Protecting Property • Protecting the Future

8100 South 15th
Suite B
Lincoln, NE 68512

nard@nrdnet.org
(402) 471-7670

March 26, 2026

TO: NARD Board, NRD Managers and Conservation Partners
FROM: Dean E. Edson, NARD Executive Director
RE: March 26 NARD Update

Budget Bill Stalls, then is Revived

Lawmakers succeeded March 26th, in their third attempt to move the main budget adjustment proposal to the final round of debate after removing funding for private school scholarships and expanding eligibility for the state's Child Care Subsidy program.

Senators have now advanced both LB 1071 and LB 1072 to Final Reading.

LB 1071 - 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.

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 1072 - 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.

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 removed provisions in the bill that would have eliminated the Oct. 1 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.

Governor Pillen's Water Task Force Issues Report

An initiative launched by Governor Jim Pillen aimed at protecting and preserving Nebraska's vital water resources met a milestone this week. In March of last year, Gov. Pillen kicked off the first executive-level meeting of the state's Water Quality and Quantity Task Force, a group consisting of members representing industries, businesses and other relevant expertise. The Task Force presented the Governor with a report on March 25, 2026, outlining key recommendations to protect and strengthen Nebraska's water resources statewide.

"We are the envy of the nation because of our water resources, and we must do everything possible to protect and enhance those resources. The approach we are taking is through innovation and education, not more regulation," said Gov. Pillen.

"I appreciate the efforts of the Task Force, and I believe that these recommendations will ensure Nebraska's water supply remains strong for generations to come," he added.

Upon announcing the Task Force in the spring of 2025, Gov. Pillen charged its members with providing actionable recommendations to improve water quality, with an emphasis on reducing nitrate levels in groundwater, and ensuring the long-term sustainability of the State's water resources.

The Task Force is made up of 20 individuals from across Nebraska. Members attended four full Task Force meetings between June 2025 and March 2026, and organized them into four subcommittees, which met monthly: Methods and Resources, Nitrate Legacy and Drinking Water Access, Water Conservation and Quantity, and Financing and Incentives.

The Task Force recommended 14 goals, which prioritize innovation and education to protect water quality and quantity while supporting Nebraska's agricultural productivity and economic vitality. Each goal includes action items and metrics to track success. Those goals are:

1. Expand water measurement across the State for groundwater and surface water
2. Develop strategies to support large water users and continued economic growth in the State
3. Expand water storage opportunities and management of water consumption

4. Ensure nitrogen fertilizer recommendations are agronomically, economically, and environmentally appropriate for Nebraska producers
5. Incentivize producers to increase the percentage of nitrogen applied in season versus out of season to improve overall nitrogen use efficiency
6. Increase adoption of sensor- and model-based nitrogen recommendation technology
7. Increase adoption of soil health practices which will allow producers to increase nutrient cycling and reduce overall nitrogen application rates over time. Improved soil health will also maximize water infiltration and crop utilization while minimizing runoff
8. Support Nebraska producers by providing education on nitrogen fertilizer and irrigation best management practices to reduce nitrate leaching and to protect groundwater resources
9. Develop consistent education, marketing, and outreach materials related to water quality, quantity, and public health for use across the State
10. Provide support and resources to public and private drinking water well owners to ensure safe and reliable drinking water for Nebraskans
11. Expand rural water systems and regionalization of water systems
12. Establish a centralized clearing house to inventory and prioritize water quality and quantity projects across Nebraska
13. Identify and implement sustainable, diversified funding models to support the development, implementation, and maintenance of priority water projects in Nebraska
14. Recommend funding priorities for the ONE RED implementation grant and potential funding sources

Jesse Bradley, Director of the Department of Water, Energy, and Environment and a member of the Task Force said, "I greatly appreciate the governor's leadership in establishing the Task Force last year. The goals and actions that have been developed through this effort will serve to sharpen our focus on these important water quality and quantity outcomes and we are excited to get to work on implementation."

In addition to the Task Force's recommendations, the final report also includes a review of existing water management authorities and programs, as well as appendices with meeting information. The full report is housed on DWEE's website: **Full Task Force PDF Report 3.25.2026**

General File

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

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 protections. 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 last year.

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

Senators debated LB 935 this week, which is the Judiciary Committee priority bill. 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.

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 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:

> 1) The political subdivision is defendant against a claim that is frivolous or intended primarily to harass the political subdivision, or its public officials; or
>
> 2) 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.

Wildfire Resources & Update

NARD's thoughts are with all the individuals, families, and communities across Nebraska who have been impacted by the recent wildfires. We recognize the significant toll these fires have taken on homes, agricultural operations, natural resources, and local economies.

We are grateful for the tireless efforts of first responders, volunteer fire departments, and local officials, including several NRD staff and board members, who have worked under extremely challenging conditions to protect lives and property. As recovery efforts begin, we stand in support of those affected and remain committed to assisting in restoring and strengthening impacted communities and natural resources.

While progress has been made with the Morrill and Cottonwood fires, new fires have erupted near Hyannis. As of March 26th, the Morrill fire is 100% contained and Cottonwood is 98% contained. Pockets of fire continue within the confined area.

Drought conditions only worsened across Nebraska this week, and looking ahead, conditions remain conducive to elevated wildfire risk, and continued vigilance is essential. Forecasts indicate the potential for persistent dry fuels, low humidity, and gusty winds, factors that can rapidly escalate fire behavior. We encourage all stakeholders to exercise caution, adhere to burn restrictions, and remain attentive to changing weather conditions.

For farmers and ranchers impacted by the Nebraska wildfires, the Nebraska Department of Agriculture is coordinating fire response resources and you can find information on resources available at the **Nebraska Department of Agriculture website**.

Information includes fencing supply/hay drop-off/pick-up points; requested donations and services; mental health resources; as well as links to state agency resources, federal agency resources, and other statewide resources.

Ag Secretary Rollins visited Nebraska this week to see wildfire damage. Rollins has pledged to use the resources within USDA and across the entire federal government to help Nebraska recover.

Local NRD Board Member Leads

Joe Wahlgren, Twin Platte NRD and NARD Board member, has started a program to help his neighbors after the Cottonwood fires. He has been brainstorming with neighbors and has come up with a plan that could catch on. This involves pairing farmers with ranchers to provide summer-long feed and resources to keep them from liquidating herds.

The plan involves immediately seeding an oats/barley mix on some of his pivots to begin grazing in April. This would be followed up with a sorghum Sudan / Pearl hybrid Millet blend planted in early to mid-June which could be grazed within three weeks to support stocking rates up to three cows

per acre. At the end of the summer, wheat/oats/turnip cover crops will be planted and wintered over to be ready for a crop next year. Another option would be grazing the cover crops and delaying the planting of the oat/barley mix.

They have been working with advisors to manage both stockers and cow-calf pairs. Supplemental feed will be necessary to ensure access to adequate dry matter (corn stalk bales, old hay, straw) so they can balance their ration. There are hurdles to overcome, getting the cows ramped up for such a high energy forage, but it is manageable.

While he can't help everyone, Wahlgren has identified 5 families he is working with in some manner. With some work, this could be scaled for other neighborhoods.

Wahlgren is working with cover crop companies, feed suppliers, and fence companies to help put the plan together. He has also spoken with the local NRCS to see which state and federal programs would be applicable.

Other Sources of Assistance

In addition, for those looking to financially support relief efforts, the Nebraska Cattlemen have a **Disaster Relief Fund** and Nebraska Farm Bureau has a **Disaster Relief Fund**.

Finally, all ticket proceeds from the UNL Spring Football game on March 28th will be donated to fire relief support. They are working with First National Bank of Omaha and the Nebraska State Volunteer Firefighters Association (NSVFA) to distribute funds to volunteer fire departments to help with fire related expenses. You can purchase tickets at: Spring Game Presented by FNBO | University of Nebraska. To donate directly to NSVFA go to: Donate — NSVFA.

Committee Action

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.

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 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.

Bill, LR or CA	Description	Sponsor(s)	Priority	NARD POSITION	Committee	Hearing Date	Status	Amendments/Notes
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	Andersen (2025)	Oppose	Revenue	2/28/2025		MO 126, 127, 128, AM 1101 - Pending
LR 16CA	Constitutional amendment to require the Legislature to reimburse political subdivisions	Urban Affairs Committee		Support	Government	2/27/2025		
LR 18CA	Constitutional amendment to require the Legislature to reimburse political subdivisions	Government Committee		Support	Government	2/27/2025	General File - Failed to advance (23-20)	AM 1727 - Withdrawn
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		Oppose	Natural Resources	2/26/2025		
LR 27CA	Constitutional amendment to change legislative term limits to three consecutive terms	Hunt	Planning Committee (2025)	Support	Executive Board	2/27/2025		
LB 86e	Appropriate funds to the Department of Natural Resources	Dorn		Support	Appropriations	3/18/2025		
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		Support	Agriculture	1/28/2025		
LB 147	Change provisions relating to approval and regulation of adding fluoride to the water supply of certain political subdivisions	Hansen		Monitor	Health & Human Services	3/12/2025		
LB 163	Create the Office of Climate Action	Spivey		Monitor	Natural Resources	1/30/2025		
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		Monitor	Revenue	3/5/2025		Provisions Amended into LB 647 via AM 994 - divided into AM 1202 - Adopted & Passed.
LB 309	Adopt the Safe Battery Collection and Recycling Act	Hughes		Monitor	Natural Resources	2/12/2025		Provisions Amended into LB 36 via AM 635 - Adopted & Passed.
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		Monitor	Revenue	2/13/2025	Passed 49-0	Approved by Governor on February 9, 2026
LB 393	Eliminate obsolete transfers relating to the Cash Reserve Fund	Clements	Appropriations (2025)	Monitor	Appropriations	3/12/2025		
LB 403	Create the Office of Grants and provide duties	Spivey		Monitor	Government	2/13/2025		
LB 424	Limit increases in property tax bills	Andersen		Monitor - See Policy Statement 2025-1	Revenue	2/27/2025		
LB 525	Adopt the Agricultural Data Privacy Act	Jacobson, at the request of the Governor	Jacobson (2026)	Oppose - See Policy Statement 2025-3	Banking, Commerce and Insurance	2/17/2026	Select File	AM 2221, 2849, 2444 - Adopted; AM 2076, 1710, 2284, MO 508, 509, 510- Withdrawn
LB 546e	Change provisions relating to proclamations for disasters, emergencies, and civil defense emergencies made by the Governor	Rountree		Support	Government	3/12/2025		
LB 565e	Provide and change requirements relating to agency guidance documents	Quick		Monitor	Government	2/12/2025		AM 239 - Pending
LB 575e	Change provisions relating to the Property Tax Request Act and property tax levy limits	Hallstrom		Oppose - See Policy Statement 2025-1	Revenue	2/20/2025	General File	AM 1977 - Pending
LB 579	Prohibit charging a fee for public records requests by members of the Legislature	Cavanaugh, M.		Monitor	Executive Board	2/18/2025		
LB 596	Change requirements for legal publications and notices required by law	Sanders	Government Committee (2026)	Support	Government	3/13/2025	Select File	AM 2282, 2428, FA 1027 - Adopted; AM 2405 - Withdrawn ; AM 2730 - Pending

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		Monitor	Natural Resources	2/27/2025		
LB 638e	Change provisions of the Nitrogen Reduction Incentive Act	Ibach		Support - w/ Compensation for Admin.	Agriculture	2/25/2025		
LB 673e	Change provisions relating to the Perkins County Canal Project and provide for a transfer from the Perkins County Canal Project Fund	Raybould		Oppose	Appropriations	3/18/2025		
LB 674e	Change provisions relating to the Perkins County Canal Project and provide for a transfer from the Perkins County Canal Project Fund	Raybould		Oppose	Appropriations	3/18/2025		
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		Monitor	Revenue	3/20/2025		
LB 695	Require the Lower Elkhorn Natural Resources District to construct a dam and provide for flood control measures	Dover		Oppose	Natural Resources	3/5/2025		MO 42 - Prevailed
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 (2026)	Support	Natural Resources	1/21/2026	Final Reading	AM 1939, 2182, FA 1025 - Adopted.
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		Support	Natural Resources	1/21/2026		Provisions amended into LB 759 via AM 1939
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		Monitor	Revenue	1/21/2026		FA399 Filed - Kauth
LB 772	Eliminate provisions allowing certain transfers of funds	Cavanaugh, M.		Monitor	Appropriations	2/2/2026		FA401 Filed - Kauth
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		Monitor	Agriculture	1/20/2026	Passed 48-0-1	Approved by Governor on February 24, 2026
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		Support	Agriculture	1/27/2026	Passed 39-9-1	Approved by Governor on March 4, 2026
LB 814	Change provisions related to the valuation of agriculture land and horticulture land	Brandt		See Policy Statement 2025-1	Revenue	1/28/2026		FA443 Filed - Kauth
LB 823	Change provisions relating to burning permits and the statewide open burning ban	Wordekemper		Support	Natural Resources	1/22/2026	Final Reading	
LB 827	Provide for natural resources districts to create soil and water programs	DeKay		Support	Natural Resources	1/28/2026	General File	Provisions amended into LB 794 via AM 2019 - Passed & Approved by Governor on February 24, 2026
LB 898	Change which political subdivisions may use virtual conferencing for meetings under the Open Meetings Act and change related requirements	Lonowski		Support	Government	2/5/2026		Provisions Amended into LB 596 via AM 2282
LB 935	Provide for the award of costs and attorney's fees in certain actions involving political subdivisions	Bosn	Judiciary (2026)	Support	Judiciary	2/18/2026	Select File	AM 2743 - Divided; AM 2930, 2927, 2931, 2934, 2932, 2928, 2935, 2914, FA 1114 - Adopted; FA 1120, 1121, 1122, 1124, 1125 - Pending.
LB 947	Change fees under the Plant Protection and Plant Pest Act and the Pesticide Act, change, eliminate and and terminate certain funds	Agriculture Committee		Support	Agriculture	1/27/2026		Provisions Amended into LB 948 via AM 1976 and Passed 35-10 and Approved by Governor on March 16, 2026.
LB 964	Adopt the Nebraska Public Property Disclosure Act	Bostar		Oppose	Government	2/5/2026		FA620 Filed - Kauth
LB 1028	Provide requirements for nutrient management plans and the application of livestock waste or litter	Jaurez		Oppose	Natural Resources	2/19/2026		FA684 Filed - Kauth
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	Arch, at the Request of Governor	Speaker (2026)	Support	Government	2/6/2026	General File	AM 1957, 2739, FA 707 - Filed

LB 1049	**Require the Legislative Fiscal Analyst to prepare economic impact reports for regulatory actions**	**Ibach**		**Monitor**	**Executive Board**	**2/12/2026**		**FA708 Filed - Kauth**
LB 1071	**Provide, change, and eliminate provisions related to appropriations for the expenses of Nebraska State Government for the biennium ending June 30, 2027**	**Arch, at the Request of Governor**	**Speaker Major Proposal**	**See Policy Statement 2025-1**	**Appropriations**	**2/2/2026**	**Final Reading**	**AM 2162, 2522, 2820, 2748, 2941 - Adopted; FA 1036, 1039, 1064, AM 2500, 2573, 2787, 2795, 2782 - Lost; MO - 527, 548 - Failed; MO 517 Prevailed; Mulitple AM's & FA's - Filed & Withdrawn**
LB 1072	**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**	**Arch, at the Request of Governor**	**Speaker Major Proposal**	**See Policy Statement 2025-1**	**Appropriations**	**2/2/2026**	**Final Reading**	**AM 2165, 2792, 2649, 2989, FA 1050, 1077, 1078, 1079 - Adopted; MO 518, 528 - Prevailed; FA 1049, 1048, AM 2554, 2584, 2579, 2558, 2549, 2591, 2785, 2810, 2824, 2816, 2841, - Lost; AM 2825, 2948 - Not Considered; Mulitple AM's & FA's - Filed & Withdrawn**
LB 1081	**Require state agencies and political subdivisions to purchase flags made in the United States**	**Meyer, G.**		**Support**	**Government**	**2/26/2026**		**FA740 Filed - Kauth**
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**	**Bostar (2026)**	**Monitor**	**Judiciary**	**2/5/2026**	**General File**	**AM 2313, 2762 - Filed**
LB 1130	**Adopt the Community Improvement District Act**	**Jacobson**		**Monitor**	**Urban Affairs**	**2/3/2026**		**Provisions Amended into LB 1114 via AM 2360 - Advanced to Select File March 20, 2026.**
LB 1136	**Require political subdivisions to identify authorized recipients of tort claims filed under the Political Subdivisions Tort Claims Act**	**Dungan**		**Oppose**	**Judiciary**	**2/19/2026**		**FA 796 Filed - Kauth**
LB 1145	**Change provisions relating to notice requirements for a meeting of a public body under the Open Meetings Act**	**Lonowski**		**Support**	**Government**	**2/5/2026**		**Provisions Amended into LB 596 via AM 2282**
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 (2026)**	**Oppose**	**Executive Board**	**2/12/2026**		**FA 839 Filed - Kauth**
LB 1183	**Change provisions relating to valuation of property**	**Lippincott**		**See Policy Statement 2025-1**	**Revenue**	**2/5/2026**		**FA 843 Filed - Kauth**
LB 1215	**Adopt the Political Subdivision Contracting Transparency Act**	**McKinney**		**Oppose**	**Government**	**2/26/2026**		**FA 875 Filed - Kauth**
LB 1219	**Limit the amount of property taxes that may be levied by a political subdivision**	**Brandt**	**Hansen (2026)**	**See Policy Statement 2025-1**	**Revenue**	**2/5/2026**	**General File**	**FA 879 , 999, 1053, AM 2652, 2702, 2769, 2768, 2655 - Pending**
LB 1256	**Redefine a term under the Emergency Management Act**	**Cavanaugh, J.**		**Support**	**Government**	**2/26/2026**	**General File**	**FA 916 Filed - Kauth**
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 (2026)**	**Oppose**	**Revenue**	**2/12/2026**		**FA343 Filed - Andersen**
LR 298CA	**Constitutional amendment to create requirements for the use of the Nebraska Environmental Trust Fund**	**Brandt**	**Brandt (2026)**	**Support**	**Natural Resources**	**2/19/2026**	**General File**	**AM 2400 - Pending**
LR 317CA	**Constitutional amendment to limit the annual growth in the amount of property taxes levied by political subdivisions**	**Brandt**		**Oppose**	**Revenue**	**2/5/2026**		

NARD Policy Statement 2025-1 - We will work with the Legislature and Governor Pillen on reasonable property tax reform measures. 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: 1) To 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.

NARD Policy Statement 2025-3 – We support with an amendment to exclude NRD data request for water quality and quantity management.