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Legislative Fiscal Office
PO Box 94604, State Capitol
Lincoln, NE 68509-4604

November 23, 2026

Mr. Brandon Metzler
Clerk of the Nebraska Legislature
Room 2018, State Capitol
Lincoln, NE 68509-4604

Dear Mr. Metzler,

As required by Neb. Rev. Stat. sec. 77-2715.01 (2), I am submitting to you at the direction of the Tax Rate Review Committee, this letter and its attachments as the annual report of the Committee for 2026. The attachments include reports presented to and reviewed by the Committee on July 22, 2026, and November 23, 2026. At each meeting the Committee determined there was no need to call the Legislature into special session to adjust tax rates. The attachments also include the 2026 Revenue Volatility Report, as required by Neb. Rev. Stat. sec. 50-419.02.

Lastly, as required by Neb. Rev. Stat. sec. 77-2715.01(2), this report incorporates by reference the most recent tax expenditure report prepared by the Department of Revenue, as set forth by Neb. Rev. Stat. sec. 77-382. This report is accessible at: https://revenue.nebraska.gov/sites/default/files/doc/research/tax-

Respectfully submitted on behalf of the Committee.

Keisha Patent
Legislative Fiscal Analyst

Tax Rate Review Committee

November 2026

Required November Meeting
Pursuant to Section 77-2715.01

Speaker of the Legislature	**Senator John Arch**
Executive Board Chair	**Senator Ben Hansen**
Appropriations Committee Chair	**Senator Robert Clements**
Revenue Committee Chair	**Senator Brad von Gillern**
Tax Commissioner	**James R. Kamm**

Prepared by the Legislative Fiscal Office

Summary

This report includes a current projected General Fund Financial Status for the FY2027-28 and FY2028-29 Biennial Budget. For planning purposes, this report also incorporates an estimated financial status for the "out years," FY2029-30 and FY2030-31 biennium. Assumptions for construction of the status for the upcoming biennium and estimates for the following biennium are discussed individually later in this report.

Projected Deficit

The current fiscal year, FY2026-27, shows a shortfall of $175.5 million below the minimum reserve with just over seven months remaining in the fiscal year.

The projected financial status shows an ending balance $1.124 billion ***below*** the minimum reserve for the upcoming FY2027-28 and FY2028-29 biennial budget. This is $280 million lower than what was shown on the prior financial status. The change is mostly due to: changes in the General Fund revenue forecast; updated estimates for General Fund appropriation growth; FY2026-27 deficits; the transfer amount to the Community College Future Fund from the General Fund; the actual amount of carryover obligations into FY2026-27; and changes in the minimum reserve.

FY2029-30 and FY2030-31 estimates are included on the financial status for the first time. The ending balance for the following biennium is $1.481 billion below the minimum reserve. Revenue estimates are derived using the historical average methodology, and appropriations estimates are based on current law and historical averages.

Revenue Growth

Revenue for FY2026-27, FY2027-28, and FY2028-29 are the October 2026 forecasts from the Nebraska Economic Forecast Advisory Board (NEFAB). Revenue growth (adjusted for rate and base changes) implied by these current forecasts is 4.9% in FY2026-27, 5.2% in FY2027-28, and 4.1% in FY2028-29. This results in a two-year average annual growth for the upcoming biennium of 4.2%. Actual revenue growth for FY2025-26 was -3.0%.

LFO Prelim estimates for FY2029-30 and FY2030-31 are calculated using the historical average methodology. Rate and base adjusted growth is 5.8% each year, for a two year average annual growth of 5.8%. Five-year average growth for the status period is 4.95%.

Spending Growth

For FY2027-28 and FY2028-29 biennium, the amounts are the based upon a continuation budget (derived from current law and agency requests). Projected increases for the following biennium (FY2029-30 and FY2030-31) are based on historical averages and current law.

Cash Reserve Fund

The unobligated ending balance in the Cash Reserve Fund (CRF) is projected to be $526.0 million at the end of the current fiscal year. The projected ending balance in FY2027-28 is $499.2 million, and in FY2028-29, $449.2 million. The revised October 2026 forecast increased the forecast from the July certification, and as such, it is estimated $23.2 million will be automatically transferred to the CRF from the General Fund at the beginning of FY2027-28.

General Fund Financial Status

Table 1 includes the current projected General Fund Financial Status including, for planning purposes, an estimated financial status for the following biennium. Assumptions for construction of the status and estimates for the following biennium are discussed individually later in this report.

Table 1 – Projected General Fund Financial Status

		Current Biennium			Est for Following Biennium	
		FY2026-27	FY2027-28	FY2028-29	FY2029-30	FY2030-31
1	**BEGINNING BALANCE**					
2	Beginning Cash Balance	298,561,906	149,562,156	(357,614,405)	(829,251,718)	(1,148,790,960)
3	Cash Reserve transfers-automatic	0	(23,210,705)	0	0	0
4	School Property Tax transfers-automatic	0	0	0	0	0
5	Carryover obligations from FY26	(197,572,907)	0	0	0	0
5a	Lapse FY25/FY26 carryover (Enacted)	969,331	0	0	0	0
6	Allocation for potential deficits	0	0	(5,000,000)	0	(5,000,000)
7	Unobligated Beginning Balance	101,958,330	126,351,451	(362,614,405)	(829,251,718)	(1,153,790,960)
8	**REVENUES & TRANSFERS**					
9	Net Receipts	6,805,000,000	6,795,000,000	6,985,000,000	7,440,000,000	7,975,000,000
10	General Fund transfers-out	(1,754,200,563)	(1,854,753,841)	(1,916,641,033)	(2,058,152,585)	(2,124,260,914)
11	General Fund transfers-in (current law)	in forecast	in forecast	in forecast	in estimate	in estimate
12	Cash Reserve transfers (current law)	304,000,000	0	0	0	0
13	Accounting Adjustment	0	0	0	0	0
14	General Fund Net Revenues	5,354,799,437	4,940,246,159	5,068,358,967	5,381,847,415	5,850,739,086
15	**APPROPRIATIONS**					
16	Expenditures / Appropriations	5,314,622,599	5,314,622,599	5,314,622,599	5,314,622,599	5,314,622,599
17	Mainline Budget and A bills (Est 2027)	(7,426,988)	109,589,416	220,373,680	220,373,680	220,373,680
18	Projected budget increase, following biennium	0	0	0	166,390,378	338,450,562
19	General Fund Appropriations	5,307,195,611	5,424,212,015	5,534,996,279	5,701,386,657	5,873,446,841
20	**ENDING BALANCE**					
21	$ Ending balance (per Financial Status)	149,562,156	(357,614,405)	(829,251,718)	(1,148,790,960)	(1,176,498,715)
22	$ Ending balance (at Min. Reserve 3.0%)	325,036,198		295,192,910		303,009,751
23	Excess (shortfall) from Minimum Reserve	**(175,474,042)**		**(1,124,444,628)**		**(1,479,508,466)**
24	Biennial Reserve (%)	1.4%		-7.6%		-10.2%
	General Fund Appropriations					
25	Annual % Change - Appropriations (w/o deficits)	-2.1%	2.2%	2.0%	3.0%	3.0%
26	Two Year Average	-0.9%	--	2.1%	--	3.0%
	General Fund Revenues					
27	Est. Revenue Growth (rate/base adjusted)	4.9%	5.2%	3.1%	5.8%	5.8%
28	Two Year Average	3.9%	--	4.2%	--	5.8%
29	Five Year Average	2.6%	--	3.7%	--	5.0%
30	Unadjusted % change over prior year	0.9%	-0.1%	2.8%	6.5%	7.2%
31	On-Going Revenues vs Appropriations	(263,823,162)	(483,965,856)	(466,637,312)	(319,539,242)	(22,707,755)

Changes to the Financial Status

The General Fund Financial Status for the FY26/FY27 biennium has improved slightly since the July meeting of the Tax Rate Review Committee as shown below. The largest changes in the financial status include the change in the revised revenue estimates from the October Nebraska Economic Forecasting Advisory Board (NEFAB) meeting, certified Community College Future Fund aid, and deficit requests.

The General Fund Financial Status for the FY28/FY29 biennium, however, has worsened, largely due to updated revenue estimates. The General Fund Financial Status now also includes the FY30/FY31 biennium, which has not previously been included.

Table 2 – Changes in the General Fund Financial Status - July 2026 to November 2026

(millions of dollars)	FY26/27 Biennium	FY28/29 Biennium	FY30/FY31 Biennium
Variance from Minimum Reserve: Tax Rate Review July 2026	**(208.56)**	**(846.73)**	--
1. Revenue Forecasts (Oct 2026)	23.21	(365.97)	--
2. Change in minimum reserve	(0.68)	10.66	--
Variance from Minimum Reserve: NEFAB Forecast	**(186.02)**	**(1,202.03)**	**--**
3. Update carryover obligations/lapses	1.71	1.71	--
4. Update CCFF transfer - Aug certification & Estimates	1.45	4.58	--
6. Update Biennial Budget estimates	7.43	71.70	--
7. Change in minimum reserve	(0.04)	(0.40)	--
Variance from Minimum Reserve: Tax Rate Review Nov. 2026	**(175.47)**	**(1,124.44)**	**(1,479.51)**

Updated General Fund Revenue Estimates

At the October 2026 meeting, the NEFAB revised the forecast for FY2026-27 upward from the certified forecast (February 2026 NEFAB adjusted for legislation enacted in 2026). The certified forecast is $6.781 billion. The revised October 2026 forecast is $6.805 billion, a difference of $23,210,705. It is estimated this amount will be transferred to the Cash Reserve Fund at the beginning of FY2027-28 as an amount above the certified forecast.

At the October 2026 meeting, the NEFAB also set the initial forecasts for FY2027-28 and FY2028-29 at $6.975 billion and $6.985 billion, respectively. These amounts are lower than the LFO preliminary estimates used on the July 2026 General Fund Financial Status by nearly $366 million over the biennium. The rate and base adjusted revenue growth is 4.9% for FY2026-27, 5.2% for FY2027-28, and 3.1% for FY2028-29. Two-year average annual growth for the upcoming biennium is 4.2% per year.

Actual FY2025-26 carryover obligations

In the July 2026 projected financial status, carryover obligations were shown as $198.3 million. Actual carryover amounts total $196.6 million, a reduction of $1.7 million.

Community College Future Fund (CCFF) Certification and Updated Estimates

LB 243 (2023) limits the ability of community college areas to levy property taxes for FY 2024-25 and after. The funds are distributed to community college areas by the government of the State of Nebraska in the following manner:

- FY 2025-26 and after: The amount distributed to the community college area in the prior fiscal year, increased by 3.5% or the percentage increase in the reimbursable educational units of the community

college area, whichever is greater.

The Coordinating Commission for Postsecondary Education (Commission) annually certifies the total amount to be distributed to all community college areas in August of each year. The State Treasurer transfers the certified amount from the General Fund to the Community College Future Fund in 10 equal amounts, which are distributed by the Commission to the community college areas in ten equal monthly payments. Due to the inclusion of the increase in reimbursable educational units, the Legislature has been using a 5% per year annual growth rate for planning purposes.

The certified aid amount for FY2026-27 is $283,565,563. This is an increase of approximately 4.5% from FY2025-26, due to the impact of the growth in reimbursable education units in multiple community college areas exceeding 3.5%.

However, the certified amount is less than the amount in the enacted budget, resulting in a gain to the General Fund of $1.45 million in FY27. To maintain the 5% annual growth rate assumption, the amounts are reduced slightly in subsequent years as well. The table below shows the impact of the FY2026-27 certification and subsequent years.

	FY2026-27	FY2027-28	FY2028-29
General Fund Transfer to CCFF - Tax Rate Review July 2026 Status	285,018,800	299,269,740	314,233,227
$ Change FY27 Certification plus 5% estimated growth	(1,453,237)	(1,525,899)	(1,602,194)
General Fund Transfer to CCFF - Tax Rate Review November 2026 Status	283,565,563	297,743,841	312,631,033

The additional General Funds available for the FY2025-26/FY2026-27 biennium is $1.45 million and for the four-year period of $4.58 million. Estimates for FY2029-30 and FY2030-31 also assume growth of 5% per year.

Updated Special Education Aid Estimate

Section 79-1142 requires the Dept. of Education to submit a letter to the Governor and the Appropriations and Education Committees of the Legislature regarding the total allowable excess costs for all special education programs and support services for all school districts, cooperatives of school districts, and educational service units; and the total reimbursements requested for the most recently completed fiscal year.

The letter estimated the total appropriation needed to reimburse 80% of allowable Special Education costs for FY2026-27 is $566,068,737. The amount appropriated for FY2026-27 is $235,724,424 from the General Fund and $291,390,830 from the Education Future Fund for a total of $527,115,254. This amount reflected in the letter is an increase of $38,953,483 from the appropriation.

The estimated amounts for FY2027-28 and FY2028-29 assume a 6% per year growth rate, based on the current growth trend, to fully reimburse 80% of allowable special education costs. For purposes of this report, the additional amount is not reflected on the General Fund financial status because in 2026, the Legislature did not include the increases for FY2025-26 and decided to hold the appropriation flat for FY2026-27, which is allowable under current law. If the Legislature determines additional appropriations are necessary to reimburse 80% of allowable costs, additional monies from the General Fund will be necessary as there is insufficient funding in the Education Future Fund to pay these increased amounts.

	FY2026-27	FY2027-28	FY2028-29
Special Education Appropriation (Total All Funds)	527,115,254	527,115,254	527,115,254
Certified Special Education Amount for FY2026-27	566,068,737	600,032,861*	636,034,833*
Difference from Sine Die 2026	38,953,483	72,917,607	108,919,579

* Estimated 6% per year growth in appropriation

This additional reimbursement has not yet been factored into the TEEOSA estimate presented in this report, but will likely have an impact on TEEOSA aid in the following biennium.

Updated TEEOSA State Aid Estimate

Section 79-1031 requires the Dept. of Education with the assistance of the property tax administrator, Legislative Fiscal Analyst, and DAS-Budget Division to make an estimate of the funding needs for TEEOSA for the next year. Based on valuation and spending assumptions agreed to at that meeting, NDE estimates TEEOSA aid for FY2026-27 of $1.172 billion, which is slightly lower than the estimate at Sine Die 2026.

There actual insurance premium tax for FY2026-27 is $2,246,642 higher than the estimated amount, which results in General Fund savings of that amount in FY27. The insurance premium tax estimates for FY2027-28 and FY2028-29 are increased from the estimates used in the July report, based upon projections of tax receipts. The estimates at Sine Die 2026 (and used in the July 2026 Tax Rate Review Report) and at the November joint meeting are shown below.

TEEOSA *estimates will be further refined in mid-December when the Annual Financial Reports (AFR) from schools are compiled and available. At that point many key calculation components in the TEEOSA formula will be known numbers not just estimates. This includes school spending and the amount of other school receipts.*

The estimates for FY2029-30 and FY2030-31 are based on the same methodology utilized for the November 15 estimates required under current law for the proposed biennial budget but with Fiscal Office assumptions and should be considered Fiscal Office estimates. The estimates at Sine Die 2026 (and used in the July 2026 Tax Rate Review Report) and at the November joint meeting are shown below.

TEEOSA – Sine Die 2026	All Funds Cert. FY2026-27	All Funds FY2027-28	All Funds FY2028-29	All Funds FY2029-30	All Funds FY2030-31
State General Funds	994,035,905	1,014,023,779	1,028,461,814	--	--
Education Future Fund	112,196,843	112,794,802	113,412,552	--	--
Insurance Premium Tax (w/o Deficit)	45,000,000	46,500,000	48,000,000	--	--
Total TEEOSA Aid	1,151,232,748	1,173,318,581	1,189,874,366	--	--
TEEOSA – November 2026 Joint Meeting	All Funds Cert. FY2026-27	All Funds FY2027-28	All Funds FY2028-29	All Funds FY2029-30	All Funds FY2030-31
State General Funds	991,789,263	1,010,205,198	1,037,801,691	1,075,202,855	1,113,875,415
Education Future Fund	112,196,843	112,794,802	113,412,552	114,052,774	114,720,338
Insurance Premium Tax (w/o Deficit)	47,246,642	49,000,000	51,000,000	53,000,000	55,000,000
Total TEEOSA Aid	1,151,232,748	1,172,000,000	1,202,214,243	1,242,255,629	1,283,595,753
Difference - General Funds	(2,246,642)	(3,818,581)	9,339,877		

*This table does not reflect the changes in the special education reimbursement discussed in the previous section.

FY2026-27 Deficit Requests (General Funds)

Deficit amounts for special education and TEEOSA, discussed in more detail above, are $38,953,483 and ($2,246,642), respectively. For purposes of this report, the change in TEEOSA is included on the General Fund Financial Status. However, due to recent decisions, the special education amount is not currently included as it will require a policy decision by the Legislature. Remaining General Fund deficit requests by agencies are a combination of increases and reductions, resulting in a net reduction in General Fund appropriation by $5,180,346. All items are shown in Table 3. While some items require policy decisions by the Legislature, for purposes of this report, this reduction is shown on the status on line 17.

Table 3 – FY2026-27 Deficit Requests (General Fund)

Agency	Prog	Type	Issue	General
Education	158	Aid	Special Education to 80%	38,953,483
Education	158	Aid	Insurance Premium Tax for TEEOSA	(2,246,642)
PSC	54	Oper	Health Insurance Increases	51,000
Revenue	102	Oper	Convert General Fund Base Appropriation	(2,440,395)
Revenue	112	Oper	Convert General Fund Base Appropriation	(2,588,098)
Agriculture	78	Oper	Staff Funding Updates	(51,000)
Fire Marshal	193	Oper	Operational Savings	(1,925)
Fire Marshal	193	Oper	Reduction of Positions	(125,000)
Fire Marshal	193	Oper	Transfer Expenses to Cash Fund	(33,750)
Fire Marshal	340	Oper	Operational Savings	(6,000)
Fire Marshal	340	Oper	Transfer Expenses to Cash Fund	(8,904)
Fire Marshal	845	Oper	Lapse of General Fund Appropriation	(37,446)
DHHS	33	Oper	Health Insurance Increases	4,500,000
DHHS	348	Aid	HR1 71109 - Non-Citizens	(2,821,911)
DHHS	348	Aid	Part D Clawback Increase	8,225,419
DHHS	348	Aid	Work Requirement Savings	(2,725,907)
DHHS	514	Aid	Chronic Renal Program	(100,000)
NDVA	511	Oper	NDVA Agency Funding Shift	(3,300,000)
Military	544	Oper	Reduce Repair & Maintenance Budget	(20,000)
Corrections	200	Oper	Cash Fund Shift	(2,500,000)
Corrections	200	Oper	Community Work Release	(1,000,000)
NETC	566	Oper	Omaha radio operating	200,000
NETC	909	Oper	Centralized UPS system	400,000
Hist Society	648	Oper	Eliminate 3 positions	(172,257)
Hist Society	648	Oper	Shift General Fund expenditures to other sources	(67,937)
State Patrol	100	Oper	Attrition of Civilian Positions	(330,987)
State Patrol	100	Oper	Eliminate Troop Area Supplemental Budgets	(85,000)
State Patrol	100	Oper	Increased Cost of Aviation Fuel	43,762
State Patrol	100	Oper	Increased Cost of Crime Lab Supplies	198,381
State Patrol	100	Oper	Reduction of Facility Leases	(12,078)
State Patrol	100	Oper	Reduction of Overtime	(351,536)
State Patrol	100	Oper	Shortfall in Funds to meet FY 27 Salary Increases	741,420
State Patrol	630	Oper	Reduce Capitol Security Equipment Purchases	(70,932)
DAS	509	Oper	Budget Division	(117,640)
DAS	685	Oper	Capitol Commission Reduction	(252,778)
Crime Comm	153	Aid	Aid allocation	547,153
Crime Comm	199	Oper	NLETC Operational Savings	(116,000)
DWEE	513	Oper	Operating Reduction	(750,000)
			TOTAL	**31,526,495**
			TOTAL without Special Education	**(7,426,988)**

2027 Session Agency Budget Requests (General Funds)

Agencies were required to submit requests the upcoming budget biennium by September 15. **At this point in the process, detailed information on the request items is not available as they are currently under review and analysis. Items included in for purposes of this report are basic continuation requests under current law for aid programs and personnel costs, including salary and health insurance increases.**

There will also likely be other requests that are subsequently submitted, including the actual amount needed for the Homestead Exemption program.

The amounts shown in Table 4 reflect the amounts shown on the General Fund Financial Status and replace the amounts previously estimated and used on the July 2026 General Fund Financial Status. All other General Fund agency requests are shown in the "other" line. The amount estimated to reimburse allowable special education costs is shown on a separate line. The special education costs and "other" total $93.0 million additional dollars in FY2027-28 and $95.9 million additional dollars in FY2028-29. These amounts are shown for informational purposes, but are not included in the totals on line 17 of the General Fund Financial Status.

Table 4 – Projected General Fund Budget (Biennial Basis)

	FY2027-28	FY2028-29
Agency Salary Increases	26,046,834	52,840,598
Agency Health Insurance	10,954,827	22,657,038
Retirement Contributions	(61,231)	1,501,396
DAS Rates	4,484,786	5,941,573
State Patrol FY27 Salaries	741,420	741,420
TEEOSA	16,169,293	43,765,785
Homestead Exemption Estimate	10,000,000	20,000,000
University Core Operations	29,924,935	61,121,680
Aid to Community Colleges	5,000,000	5,000,000
Medicaid Changes - Current Law		
Work Requirements	(1,817,271)	(1,835,444)
Part D Clawback	9,697,357	11,037,497
Non-citizens (HR 1)	(3,762,548)	(3,762,548)
6-Month Eligibility	(2,538,986)	(3,385,315)
SNAP Administration	4,750,000	4,750,000
Total on General Fund Financial Status	**109,589,416**	**220,373,680**
Special Education	73,000,000	109,000,000
Other	20,028,547	(13,100,623)
Total with Special Ed and Other	**202,769,963**	**316,273,057**

The amounts used on the General Fund Financial Status for purposes of this report, shown on line 17 of the status, are less than the amounts reflected on the July 2026 report (estimated at $131.1 million in FY2027-28 and $263.2 million in FY2028-29). The estimated reduction in appropriation due to the FY2026-27 deficits, along with lower estimates in FY2027-28 and FY2028-29, result in an additional $71.7 million available for the biennium as compared to the July 2026 report. The appropriations growth reflected on the status is 2.2% in FY2027-28 and 2.0% in FY228-29, for two-year average annual growth of 2.1%.

Table 5 – Projected General Fund Budget by Type and Percent Change

	FY2026-27	FY2027-28	FY2028-29	FY2029-30	FY2030-31
Agency Operations	2,095,968,349	2,172,809,920	2,245,522,054	2,313,198,437	2,382,765,760
State Aid to Ind/Other	1,638,223,743	1,639,802,295	1,640,277,933	1,671,115,720	1,702,562,760
State Aid to Local Govt	1,559,126,579	1,590,295,871	1,627,892,364	1,695,768,573	1,766,814,393
Construction	21,303,928	21,303,928	21,303,928	21,303,928	21,303,928
GF Approp w/o deficits	5,314,622,599	5,424,212,014	5,534,996,279	5,701,386,657	5,873,446,841
Deficits/Claims	(7,426,988)	0	0	0	0
Total GF Appropriations	5,307,195,611	5,424,212,014	5,534,996,279	5,701,386,657	5,873,446,841
DOLLAR CHANGE					
Operations	12,757,510	76,841,571	72,712,134	67,676,383	69,567,323
State Aid to Ind/Other	(91,289,081)	1,578,552	475,638	30,837,787	31,447,041
State Aid to Local Govt	(34,941,454)	31,169,293	37,596,493	67,876,209	71,045,820
Construction	(250,000)	0	0	0	0
GF Approp w/o deficits	(113,723,026)	109,589,416	110,784,265	166,390,378	172,060,184
PERCENT CHANGE (w/o deficits)					
Agency Operations	0.6%	3.7%	3.3%	3.0%	3.0%
State Aid to Ind/Other	-5.3%	0.1%	0.0%	1.9%	1.9%
State Aid to Local Govt	-2.2%	2.0%	2.4%	4.2%	4.2%
Construction	-1.2%	0.0%	0.0%	0.0%	0.0%
Total GF % Change	-2.1%	2.1%	2.0%	3.0%	3.0%

General Fund Revenues

The February forecast of the Nebraska Economic Forecasting Advisory Board for FY2025-26 is $6.97 billion. Legislation enacted after the February forecast reduced the total transfers into the General Fund from other funds by $91,502, for total revenue (adjusted for legislation) of $6,969,908,498. Actual net receipts for FY2025-26 are $6,741,03,604, which is $228,904,894 below the forecasted amount (adjusted for legislation).

At the October 2026 meeting, the NEFAB revised the forecast for FY2026-27 upward from the certified forecast (February 2026 NEFAB adjusted for legislation enacted in 2026). The certified forecast is $6.781 billion. The revised October 2026 forecast is $6.805 billion, a difference of $23,210,705. It is estimated this amount will be transferred to the Cash Reserve Fund at the beginning of FY2027-28 as an amount above the certified forecast.

At the October 2026 meeting, the NEFAB also set the initial forecasts for FY2027-28 and FY2028-29 at $6.975 billion and $6.985 billion, respectively. These amounts are lower than the LFO preliminary estimates used on the July 2026 General Fund Financial Status by nearly $366 million over the biennium. The rate and base adjusted revenue growth is 4.9% for FY2026-27, 5.2% for FY2027-28, and 3.1% for FY2028-29. Two-year average annual growth for the upcoming biennium is 4.2% per year.

Following Biennium (FY2029-30 and FY2030-31)

"Out year" estimates have traditionally been derived by the Legislative Fiscal Office (LFO) using a "capped" historical average methodology. This smoothing technique derives "out year" revenue estimates by calculating the level of revenues that would yield a five-year average growth (FY27 to FY31) roughly equal to the 40+ year historical average (5.2%) less 0.25%, which is the projected impact of indexing the tax brackets as enacted in 2014 (LB987). Inherent in this methodology is the concept that within any five-year period, below average revenue growth in some years will be offset by above average growth in others and is visually seen in the line graph of historical adjusted revenue growth. The "capped" provision of this methodology means that the derived growth needed in the out years to achieve the historical average cannot be higher than the "above average" growth years nor lower than the "below average" growth years. Using the methodology has generally allowed for the Legislature to budget to the average over the five-year period.

Over the past 45 years of actual net receipts data, there were 19 years in which revenue growth was "below average" (1.6% average) and 26 years in which revenue growth was above average (8.2% average). Because the revenue growth in the NEFAB forecasts is below average, using this methodology the revenue growth needed to yield a 4.95% five-year average is 5.8% per year.

Alternative methods exist to derive revenue estimates for the following biennium. In addition to the historical average methodology, both the Nebraska Dept. of Revenue and LFO have calculated revenue estimates for these two "out years" using the same models and input from S&P GLOBAL and Moody's Analytics, the national forecasting services used as input into the tax forecast models. Previously, LFO has been reluctant to use "out year" forecast estimates for projecting revenue for the "out years" because there is some tendency of the forecasts to flatten out and follow current trends into those years without picking up changes in the trend line.

The NEFAB forecasts and projected "out year" revenue estimates are shown in Table 6. Rate and base adjusted growth in FY2029-30 and FY2030-31 5.8%, for a two-year average annual growth rate of 5.8%. Five-year average annual growth for the status period is 4.95%.

Table 6 - General Fund Revenue Forecasts

	NEFAB FY2026-27	NEFAB FY2027-28	NEFAB FY2028-29	LFO Prelim FY2029-30	LFO Prelim FY2030-31
Sales and Use Tax	2,820,000,000	2,875,000,000	3,050,000,000	3,225,000,000	3,450,000,000
Individual Income Tax	2,840,000,000	2,950,000,000	2,975,000,000	3,245,000,000	3,495,000,000
Corporate Income Tax	680,000,000	675,000,000	685,000,000	730,000,000	780,000,000
Miscellaneous receipts	465,000,000	295,000,000	275,000,000	240,000,000	250,000,000
Total General Fund Revenues	6,805,000,000	6,795,000,000	6,985,000,000	7,440,000,000	7,975,000,000
Adjusted Growth					
Sales and Use Tax	0.7%	4.4%	2.4%	5.5%	6.7%
Individual Income Tax	10.5%	5.4%	2.9%	5.7%	5.0%
Corporate Income Tax	1.1%	8.3%	11.4%	7.4%	7.7%
Miscellaneous receipts	-26.9%	4.1%	-3.9%	5.3%	5.2%
Total General Fund Revenues	4.9%	5.2%	3.1%	5.8%	5.8%
Two Yr Average	3.9%	--	4.2%	--	5.8%
Five Yr Average	2.6%	--	3.7%	--	5.0%
Unadjusted Growth					
Total General Fund Revenues	0.9%	-0.1%	2.8%	6.5%	7.2%
Two Yr Average	5.2%	--	1.3%	--	6.9%
Five Yr Average	1.8%	--	-0.2%	--	3.5%

For comparison, the LFO Historical Methodology and the average of the LFO and NDR forecasts are shown in the following table. The average of all forecasts is considerably lower, reflecting over $1.1 billion impact in the "out-years" and lower average annual growth rates for that biennium and for the five-year period as compared to the LFO historical methodology.

Table 7 – Comparison of FY2029-30 and FY2030-31 Estimates (in thousands)

	Average (All Forecasts)	LFO Historical Methodology
FY29-30 Prelim	7,034,588	7,440,000
FY30-31 Prelim	7,223,059	7,975,000
Growth Rate (Rate and Base Adj)		
FY29-30 Prelim	1.10%	5.80%
FY30-31 Prelim	2.20%	5.80%
Two Year Ave	1.70%	5.80%
Five Year Ave	3.30%	4.95%
$ Difference from November TRR Report Status		
FY29-30 Prelim	(405,412)	0
FY30-31 Prelim	(751,941)	0
Change in minimum reserve (biennium)	33,709	0
Total	(1,123,644)	0

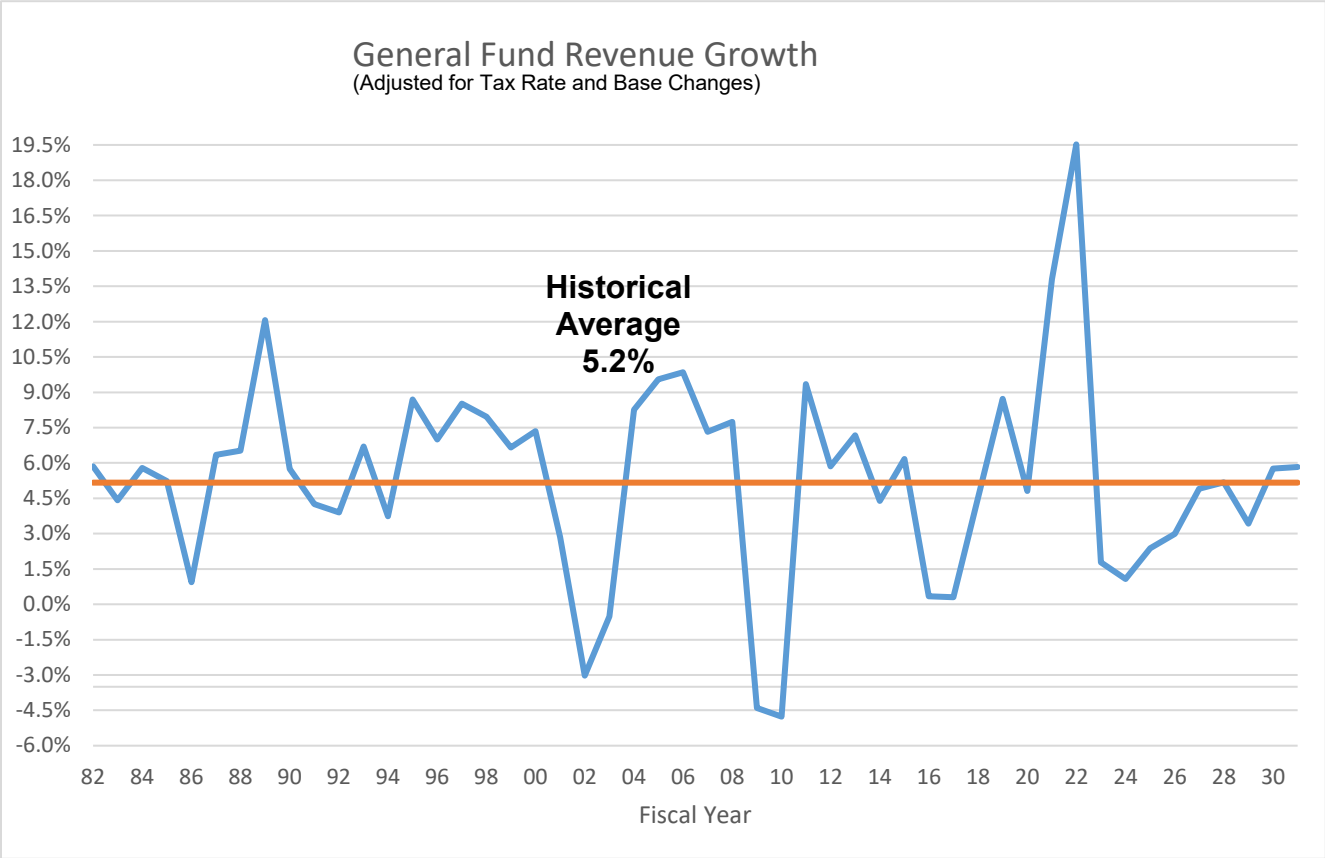


Table 8 - Actual and Projected General Fund Revenues

Fiscal Year	Sales and Use Tax	Individual Income Tax	Corporate Income Tax	Miscellaneous Taxes/Fees	Total Net Receipts	Unadj. % Change	Adj. % Change
FY 2000-01	905,023,176	1,233,363,553	138,040,082	180,435,044	2,456,861,855	2.2%	2.9%
FY 2001-02	918,889,782	1,159,810,647	107,628,074	179,180,246	2,365,508,749	-3.7%	-3.0%
FY 2002-03	1,028,931,065	1,129,421,651	111,597,405	186,449,714	2,456,399,835	3.8%	-0.5%
FY 2003-04	1,114,374,321	1,249,890,025	167,429,431	187,033,230	2,718,727,007	10.7%	8.3%
FY 2004-05	1,231,011,089	1,400,076,680	198,380,442	207,726,086	3,037,194,297	11.7%	9.5%
FY 2005-06	1,263,678,691	1,545,338,061	262,295,456	280,875,316	3,352,187,524	10.4%	9.9%
FY 2006-07	1,303,826,416	1,650,895,394	213,027,010	240,582,953	3,408,331,773	1.7%	7.3%
FY 2007-08	1,321,867,139	1,726,145,405	232,851,654	225,298,373	3,506,162,571	2.9%	7.7%
FY 2008-09	1,326,161,017	1,600,418,236	198,483,786	232,405,148	3,357,468,187	-4.2%	-4.4%
FY 2009-10	1,289,796,877	1,514,830,114	154,332,137	245,720,545	3,204,679,673	-4.6%	-4.8%
FY 2010-11	1,372,784,033	1,735,208,600	154,944,966	236,717,493	3,499,655,092	9.2%	9.4%
FY 2011-12	1,436,909,373	1,822,884,254	234,266,237	201,828,916	3,695,888,780	5.6%	5.9%
FY 2012-13	1,474,942,641	2,101,912,041	275,562,990	199,940,938	4,052,358,610	9.6%	7.2%
FY 2013-14	1,524,793,763	2,060,758,896	306,591,027	225,264,546	4,117,408,232	1.6%	4.4%
FY 2014-15	1,535,419,516	2,205,463,903	346,477,378	217,738,529	4,305,099,326	4.6%	6.2%
FY 2015-16	1,528,023,310	2,221,088,817	307,669,694	251,199,454	4,307,981,275	0.1%	0.3%
FY 2016-17	1,548,388,848	2,224,840,053	264,439,713	228,103,331	4,265,771,945	-1.0%	0.3%
FY 2017-18	1,602,737,358	2,360,595,935	313,689,521	289,972,959	4,566,995,773	7.1%	4.5%
FY 2018-19	1,658,107,133	2,545,680,039	423,737,571	268,853,778	4,896,378,521	7.2%	8.7%
FY 2019-20	1,848,235,959	2,445,647,485	391,163,752	254,715,415	4,939,762,611	0.9%	4.8%
FY 2020-21	2,009,748,270	3,130,599,324	571,220,324	247,474,510	5,959,042,428	20.6%	13.8%
FY 2021-22	2,133,152,081	3,243,237,593	715,152,736	257,452,292	6,348,994,702	6.5%	19.5%
FY 2022-23	2,335,899,936	3,005,952,059	692,964,729	333,165,768	6,367,982,492	0.3%	1.8%
FY 2023-24	2,458,834,067	2,479,054,187	1,724,908,135	493,014,191	7,155,810,580	12.4%	1.1%
FY 2024-25	2,516,744,199	2,179,933,889	1,075,085,078	387,278,497	6,159,041,662	-13.9%	2.4%
FY 2025-26	2,866,926,606	2,635,685,240	719,736,685	518,655,078	6,741,003,608	9.4%	3.0%
FY 2026-27 NEFAB	2,820,000,000	2,840,000,000	680,000,000	465,000,000	6,805,000,000	0.9%	4.9%
FY 2027-28 NEFAB	2,875,000,000	2,950,000,000	675,000,000	295,000,000	6,795,000,000	-0.1%	5.2%
FY 2028-29 NEFAB	3,050,000,000	2,975,000,000	685,000,000	275,000,000	6,985,000,000	2.8%	3.1%
FY 2029-30 Prelim	3,225,000,000	3,245,000,000	730,000,000	240,000,000	7,440,000,000	6.5%	5.8%
FY 2030-31 Prelim	3,450,000,000	3,495,000,000	780,000,000	250,000,000	7,975,000,000	7.2%	5.8%
Current 5 Year Status	4.2%	5.7%	6.0%	-2.2%	4.9%		
Above Average Years (25)	5.9%	9.9%	14.5%	4.0%	8.2%		
Below Average Years (19)	2.8%	2.2%	-5.6%	1.4%	1.6%		
Historical Average	4.5%	6.4%	5.9%	2.1%	5.2%		

General Fund Transfers In

Cash funds are funds which contain certain revenue sources, and monies in those funds can only be used for the purposes authorized by statute. In many instances, an authorized use of monies in a cash fund is transfers to the General Fund at the discretion of the Legislature. For accounting purposes, these are shown as "Transfers in" and included as General Fund revenues. As such, the amounts are included in NEFAB forecast estimates and LFO preliminary estimates once any transfers are enacted into law.

Table 9 - General Fund Transfers-In

	FY2026-27	FY2027-28	FY2028-29	FY2029-30	FY2030-31
Abstracters Bd Fund	100,000	0	0	0	0
Affordable Housing Trust Fund	8,000,000	0	0	0	0
Appraisal Management Co. Fund	100,000	0	0	0	0
Arts Maintenance Fun	100,000	0	0	0	0
Banking & Finance Settlement	750,000	0	0	0	0
Barber Examiners Fund	25,000	0	0	0	0
Boiler Inspection Cash Fund	450,000	0	0	0	0
Building Renewal Allocation Fund	4,000,000	0	0	0	0
Cert Public Accountancy Fund	100,000	0	0	0	0
Charitable Gaming Operations Fund	500,000	0	0	0	0
Civic and Community Center Fund	1,500,000	0	0	0	0
Clean Air Title V	1,300,000	0	0	0	0
Community College Dependents Fund	500,000	0	0	0	0
Community Corrections Uniform Data Analysis Fund	300,000	0	0	0	0
Correctional Services Insurance Proceeds	3,500,000	0	0	0	0
Cultural Preservation Endowment	5,000,000	0	0	0	0
Department of Motor Vehicles Cash Fund	12,500,000	0	0	0	0
Dept of Education VR Basic Match	375,000	0	0	0	0
Dept of Insurance Cash Fund	19,000,000	16,800,000	16,800,000	0	0
Dept of Motor Vehicles Ignition Interlock Fund	250,000	0	0	0	0
DHHS Federal Clearing Fund	8,977,251	0	0	0	0
DHHS Food Distribution Fund	305,337	0	0	0	0
Economic Recovery Contingency Fund	1,000,000	0	0	0	0
Engineer Plan Review Fund	300,000	0	0	0	0
Game Law Investigation Fund	200,000	0	0	0	0
Governor's Emergency Fund	5,000,000	0	0	0	0
Grade Crossing Protection Fund	1,250,000	0	0	0	0
Health and Human Services Cash Fund	4,880,000	0	0	0	0
HHS Professional & Occupational Credentialing	1,800,000	0	0	0	0
Homeless Shelter Assistance	6,500,000	0	0	0	0
ImagiNE Revolving Loan Fund	3,000,000	0	0	0	0
Integrated Solid Waste Management Cash	250,000	0	0	0	0
JEDI Fund	2,900,000	0	0	0	0
Job Creation and Mainstreet Revitalization Fund	125,000	0	0	0	0
Landscape Architects Fund	25,000	0	0	0	0
Mechanical Safety Inspection Fund	375,000	0	0	0	0
Motor Carrier Division Cash Fund	250,000	0	0	0	0

	FY2026-27	FY2027-28	FY2028-29	FY2029-30	FY2030-31
Motor Carrier System Replacement	1,000,000	0	0	0	0
NEBASE Fund	75,000	0	0	0	0
Nebr Litter Reduction and Recycling Cash Fund	1,250,000	0	0	0	0
Nebr Outdoor Recreation & Development (NORDA)	2,000,000	0	0	0	0
Nebraska Snowmobile Trail Cash Fund	25,000	0	0	0	0
Nebraska Tobacco Settlement Fund	45,000,000	0	0	0	0
Oil & Gas Conservation Fund	300,000	0	0	0	0
Perkins County Canal Fund	5,747,931	0	0	0	0
Public Safety Communications Fund	500,000	0	0	0	0
Racetrack Gaming Fund	6,000,000	0	0	0	0
Records Management Cash Fund	3,000,000	0	0	0	0
Revenue Enforcement Fund	2,000,000	0	0	0	0
Secretary of State Cash Fund	1,000,000	0	0	0	0
Securities Act Cash Fund	28,000,000	28,000,000	28,000,000	0	0
Site and Building Development Fund	4,500,000	0	0	0	0
State Energy Cash	500,000	0	0	0	0
State Patrol Carrier Enforcement Fund	1,000,000	0	0	0	0
State Settlement Cash Fund	295,957	0	0	0	0
State Visitors Promotion Fund	2,000,000	0	0	0	0
Surface Water Irrigation Fund	7,600,000	0	0	0	0
Trail Development and Maintenance Fund	3,627,750	0	0	0	0
Transportation Infrastructure Bank	4,500,000	0	0	0	0
Treasury Management Cash Fund	250,000	0	0	0	0
Tuition Recovery Fund	100,000	0	0	0	0
Unclaimed Property Cash Fund	1,000,000	0	0	0	0
Vacant Building and Excess Land Fund	1,500,000	0	0	0	0
Vehicle Replacement Fund	250,000	0	0	0	0
Vehicle Title & Reg System Replacement Fund	2,500,000	0	0	0	0
Water Recreation Enhancement Fund	8,518,601	0	0	0	0
Wildlife Conservation Fund	438,000	0	0	0	0
Workers Compensation Court Cash Fund	1,000,000	0	0	0	0
Miscellaneous funds (42 funds FY26)	852,000	0	0	0	0
Transfers-In already in revenue forecast	231,817,827	44,800,000	44,800,000	0	0

General Fund Transfers-Out

This area tabulates funds that are transferred from the General Fund to another fund within the state treasury. These items have the same effect as an appropriation in that they reduce available funds, but are not expended as such and thus are shown under the revenue category (see line 9 on the Financial Status).

Table 10 - General Fund Transfers Out

	FY2026-27	FY2027-28	FY2028-29	FY2029-30	FY2030-31
School Property Tax Relief Fund	(791,000,000)	(838,000,000)	(870,000,000)	(902,000,000)	(929,060,000)
Property Tax Credit Fund	(437,000,000)	(457,000,000)	(472,000,000)	(565,880,000)	(588,515,200)
Community College Future Fund	(283,565,563)	(297,743,841)	(312,631,033)	(328,262,585)	(344,675,714)
Education Future Fund	(242,000,000)	(250,000,000)	(250,000,000)	(250,000,000)	(250,000,000)
Cultural Preservation Endowment Fund	0	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
Water Sustainability Fund	0	(11,000,000)	(11,000,000)	(11,000,000)	(11,000,000)
Hall of Fame Trust Fund	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Public Advocacy Cash Fund	(625,000)	0	0	0	0
General Fund Transfers-Out	(1,754,200,563)	(1,854,753,841)	(1,916,641,033)	(2,058,152,585)	(2,124,260,914)

Cash Reserve Fund

The Cash Reserve Fund (CRF) is not included as part of the "General Fund Reserve" (which is the ending General Fund balance for a biennium) and was created as a separate and distinct fund to cover cash flow needs within short period. The CRF also serves as a “rainy day fund” in that revenues in excess of a “certified forecast” are transferred from the General Fund to CRF at the end of a fiscal year, subject to certain statutory requirements. As the certified forecast is basically the revenue estimate at Sine Die when the budget is finalized, these transfers sequester revenues in excess of that which is needed to balance the budget.

There is one change to the Cash Reserve Fund status as compared to the prior status: the increase in the NEFAB forecast for FY2026-27 is estimated to be above the certified forecast and transferred to the Cash Reserve Fund at the beginning of FY2027-28.

Table 11 – Status of the Cash Reserve Fund

CASH RESERVE FUND	FY2026-27	FY2027-28	FY2028-29	FY2029-30	FY2030-31
Beginning Balance	829,532,779	526,032,779	499,243,484	449,243,484	399,243,484
Excess of certified forecasts (line 3 in Status)	0	23,210,705	0	0	0
To/from Gen Fund (Enacted)	(304,000,000)	0	0	0	0
To Transformational Project Fund (LB1107-2020)	0	(50,000,000)	(50,000,000)	(50,000,000)	(50,000,000)
To Electrical Board Cash Fund	500,000	0	0	0	0
Projected Unobligated Ending Balance	526,032,779	499,243,484	449,243,484	399,243,484	349,243,484
Ending Balance as % of Revenues	7.7%	7.3%	6.4%	5.4%	4.4%
Ending Balance as % of Expenditures	9.9%	9.2%	8.1%	7.0%	5.9%

Table 12 – History of the Cash Reserve Fund

	Beginning Balance	Direct Deposit and Interest	Automatic Transfers (1)	Legislative Transfers (2)	Legislative Transfers (2)		Ending Balance	EB as % of revenues	EB as % of expend
					Gen Fund	Other Funds			
FY1983-84	0	37,046,760	na	0	0	0	37,046,760	4.7%	4.9%
FY1984-85	37,046,760	(1,472,551)	na	0	0	0	35,574,209	4.5%	4.4%
FY1985-86	35,574,209	227,855	na	(13,500,000)	(13,500,000)	0	22,302,064	2.7%	2.7%
FY1986-87	22,302,064	1,428,021	na	0	0	0	23,730,085	2.7%	2.8%
FY1987-88	23,730,085	1,654,844	na	(7,700,000)	0	(7,700,000)	17,684,929	1.7%	2.0%
FY1988-89	17,684,929	139,000	na	32,600,000	32,600,000	0	50,423,929	4.4%	5.1%
FY1989-90	50,423,929	113,114	na	(10,500,000)	(10,500,000)	0	40,037,043	3.5%	3.4%
FY1990-91	40,037,043	0	na	(8,100,000)	(8,100,000)	0	31,937,043	2.3%	2.3%
FY1991-92	31,937,043	0	na	(5,000,000)	(5,000,000)	0	26,937,043	1.8%	1.7%
FY1992-93	26,937,043	0	na	(9,500,000)	(9,500,000)	0	17,437,043	1.1%	1.1%
FY1993-94	17,437,043	0	3,063,462	7,250,000	7,250,000	0	27,750,505	1.7%	1.7%
FY1994-95	27,750,505	0	(8,518,701)	1,250,000	7,250,000	(6,000,000)	20,481,804	1.2%	1.2%
FY1995-96	20,481,804	0	(20,481,804)	18,189,565	18,189,565	0	18,189,565	1.0%	1.0%
FY1996-97	18,189,565	0	19,740,786	3,032,333	3,032,333	0	40,962,684	2.0%	2.2%
FY1997-98	40,962,684	0	91,621,018	0	0	0	132,583,702	6.3%	6.9%
FY1998-99	132,583,702	0	111,616,422	(98,500,000)	(96,500,000)	(2,000,000)	145,700,124	6.9%	6.5%
FY1999-00	145,700,124	0	20,959,305	(24,500,000)	3,500,000	(28,000,000)	142,159,429	5.9%	6.1%
FY2000-01	142,159,429	0	77,576,670	(49,500,000)	(24,500,000)	(25,000,000)	170,236,099	6.9%	6.9%
FY2001-02	170,236,099	0	0	(60,170,000)	(59,800,000)	(370,000)	110,066,099	4.7%	4.2%
FY2002-03	110,066,099	66,476,446	0	(87,400,000)	(87,400,000)	0	59,142,545	2.4%	2.3%
FY2003-04	59,142,545	59,463,461	0	(61,577,669)	(61,191,862)	(385,807)	87,028,337	3.2%	3.4%
FY2004-05	87,028,337	8,170,556	108,727,007	(26,758,180)	(26,000,000)	(758,180)	177,167,720	5.8%	6.5%
FY2005-06	177,167,720	0	261,715,297	(165,266,227)	0	(165,266,227)	273,616,790	8.2%	9.4%
FY2006-07	273,616,790	0	259,929,524	(17,458,523)	(15,674,107)	(1,784,416)	516,087,791	15.1%	16.5%
FY2007-08	516,087,791	0	191,436,773	(161,978,767)	(60,177,767)	(101,801,000)	545,545,797	15.6%	16.8%
FY2008-09	545,545,797	0	116,976,571	(84,330,505)	(54,990,505)	(29,340,000)	578,191,863	17.2%	17.4%
FY2009-10	578,191,863	0	0	(110,990,237)	(105,000,000)	(5,990,237)	467,201,626	14.6%	14.1%
FY2010-11	467,201,626	0	0	(154,000,000)	(154,000,000)	0	313,201,626	8.9%	9.4%
FY2011-12	313,201,626	8,422,528	145,155,092	(33,439,198)	(37,000,000)	3,560,802	428,878,372	11.6%	12.4%
FY2012-13	428,878,372	0	104,789,781	(154,008,427)	(78,000,000)	(76,008,427)	384,121,402	9.5%	10.7%
FY2013-14	384,121,402	0	285,292,610	49,651,294	49,400,000	251,294	719,065,306	17.5%	18.7%
FY2014-15	719,065,306	0	96,721,232	(87,951,112)	(67,701,112)	(20,250,000)	727,835,426	16.9%	18.1%
FY2015-16	727,835,426	0	84,599,532	(81,779,850)	0	(81,779,850)	730,655,108	17.0%	17.4%
FY2016-17	730,655,108	0	0	(50,000,000)	0	(50,000,000)	680,655,108	16.0%	15.7%
FY2017-18	680,655,108	265,729	0	(340,930,772)	(225,000,000)	(115,930,772)	339,990,065	7.4%	7.8%
FY2018-19	339,990,065	0	61,995,773	(68,436,714)	(48,000,000)	(20,436,714)	333,549,124	6.8%	7.6%
FY2019-20	333,549,124	0	176,378,178	(83,619,600)	0	(83,619,600)	426,307,702	8.6%	9.2%
FY2020-21	426,307,702	0	10,655,528	30,000,972	(30,000,000)	60,000,972	466,964,202	7.8%	10.3%
FY2021-22	466,964,202	0	535,259,366	(74,700,000)	50,000,000	(124,700,000)	927,523,568	14.6%	19.9%
FY2022-23	927,523,568	0	1,287,998,995	(577,670,000)	40,000,000	(617,670,000)	1,637,852,563	25.7%	31.8%
FY2023-24	1,637,852,563	0	2,982,492	(728,017,580)	440,000,000	(1,168,017,580)	912,817,475	12.8%	17.2%
FY2024-25	912,817,475	0	38,746,104	(74,483,800)	(4,000,000)	(70,483,800)	877,079,779	14.2%	16.0%
FY2025-26	877,079,779	0	0	(47,547,000)	0	(47,547,000)	829,532,779	12.3%	15.1%
FY2026-27 Est	829,532,779	0	0	(303,500,000)	(304,000,000)	500,000	526,032,779	7.7%	9.9%
FY2027-28 Est	526,032,779	0	23,210,705	(50,000,000)	0	(50,000,000)	499,243,484	7.3%	9.2%
FY2028-29 Est	499,243,484	0	0	(50,000,000)	0	(50,000,000)	449,243,484	6.4%	8.1%
FY2029-30 Est	449,243,484	0	0	(50,000,000)	0	(50,000,000)	399,243,484	5.4%	7.0%
FY2030-31 Est	399,243,484	0	0	(50,000,000)	0	(50,000,000)	349,243,484	4.4%	5.9%

(1) Automatic transfers reflect the prior year variance from forecast. For example, the $84.6 million transfer in FY15-16 actually reflects FY14-15 "excess" receipts compared to the certified forecast. Prior to FY95-96 the transfers occurred in all cases. After FY95-96 transfers only occurred if receipts were above forecast.

(2) Legislative transfers are enacted by legislation and include transfers to the General Fund or other funds.

Projected Appropriations – FY30/FY31 Biennium

For the "following biennium" (FY2029-30 and FY2030-31), the mainline budget numbers reflect the annualized impact of the current budget actions plus an estimate of future year increases in entitlement programs, salary and health insurance increases, and other funding requirements. Obviously, actual funding needs in these areas will not be known until the biennial budget process starts again. However, for planning purposes, some level of funding for these items must be acknowledged and shown as likely funding commitments.

Appropriations growth is 3.0% per year, as reflected in the following table.

Table 13 – Projected General Fund Budget FY30/FY31 Biennium (Biennial Basis)

	FY2029-30	FY2030-31	FY30 % Chg	FY31 % Chg
AID TO LOCAL GOVT				
Aid to K-12 Schools (TEEOSA GF only)	37,401,165	76,073,725	3.6%	3.6%
Special Education	16,500,710	34,156,469	7.0%	7.0%
Community Colleges	2,382,334	4,812,315	2.0%	2.0%
Homestead Exemption	11,592,000	23,879,520	6.0%	6.0%
Governors Emergency program	0	0		
All Other (Aid-Local)	0	0		
AID TO INDIVIDUALS				
Medicaid	16,034,464	32,389,618	2.0%	2.0%
Public Assistance	750,176	1,507,854	1.0%	1.0%
Child Welfare Aid	3,315,607	6,697,527	2.0%	2.0%
Developmental Disability aid	7,735,015	15,624,730	2.0%	2.0%
Behavioral Health aid	2,302,736	4,651,527	2.0%	2.0%
Children's Health Insurance (SCHIP)	699,788	1,413,571	2.0%	2.0%
All Other (Aid-Ind)	0	0		
AGENCY OPERATIONS				
Employee Salaries (agencies)	28,628,756	58,116,374	3.0%	3.0%
Employee Health Insurance (agencies)	6,185,266	12,617,943	4.0%	4.0%
University/Colleges increased funding	18,542,171	37,664,147	2.3%	2.3%
Operations increase (all agencies)	5,290,986	10,740,701	3.0%	3.0%
Staffing / population costs / medical (Corrections)	3,722,530	7,445,060	2.0%	2.0%
Retirement (Schools, Patrol, Judges)	3,000,000	6,000,000	Fixed	Fixed
All Other (Oper)	2,306,674	4,659,481	2.0%	2.0%
CONSTRUCTION	0	0	Fixed	Fixed
TOTAL GENERAL FUND (Biennial Basis)	166,390,378	338,450,562	3.0%	3.0%
Base Appropriation	5,534,996,279	5,534,996,279		
Total Increases (biennial basis)	166,390,378	338,450,562		
Projected Appropriations per Financial Status	5,701,386,657	5,873,446,841		

Appendix A
Statutory Provisions - Tax Rate Review Committee

Statutory Required Meetings

Section 77-2715.01 relates to the Legislature setting the sales and income tax rates and creates the Tax Rate Review Committee and its duties and responsibilities

"(1)(a) Commencing in 1987 the Legislature shall set the rates for the income tax imposed by section 77-2715 and the rate of the sales tax imposed by subsection (1) of section 77-2703. For taxable years beginning or deemed to begin before January 1, 2013, the rate of the income tax set by the Legislature shall be considered the primary rate for establishing the tax rate schedules used to compute the tax.

(b) The Legislature shall set the rates of the sales tax and income tax so that the estimated funds available plus estimated receipts from the sales, use, income, and franchise taxes will be not less than three percent nor more than seven percent in excess of the appropriations and express obligations for the biennium for which the appropriations are made. The purpose of this subdivision is to insure that there shall be maintained in the state treasury an adequate General Fund balance, considering cash flow, to meet the appropriations and express obligations of the state.

(c) For purposes of this section, express obligation shall mean an obligation which has fiscal impact identifiable by a sum certain or by an established percentage or other determinative factor or factors.

2) The Speaker of the Legislature and the chairpersons of the Legislature's Executive Board, Revenue Committee, and Appropriations Committee shall constitute a committee to be known as the Tax Rate Review Committee. The Tax Rate Review Committee shall meet with the Tax Commissioner within ten days after July 15 and November 15 of each year and shall determine whether the rates for sales tax and income tax should be changed. In making such determination the committee shall recalculate the requirements pursuant to the formula set forth in subsection (1) of this section, taking into consideration the appropriations and express obligations for any session, all miscellaneous claims, deficiency bills, and all emergency appropriations. The committee shall prepare an annual report of its determinations under this section. The committee shall submit such report electronically to the Legislature and shall append the tax expenditure report required under section 77-382.

In the event it is determined by a majority vote of the committee that the rates must be changed as a result of a regular or special session or as a result of a change in the Internal Revenue Code of 1986 and amendments thereto, other provisions of the laws of the United States relating to federal income taxes, and the rules and regulations issued under such laws, the committee shall petition the Governor to call a special session of the Legislature to make whatever rate changes may be necessary."

Annual Report

LB962 enacted in the 2012 legislative session included a new requirement that the Tax Rate Review Committee (TRRC) prepare an annual report of its determinations, submit such report electronically to the Legislature, and append the tax expenditure report required under section 77-382 to such annual report. LB33 enacted in the 2015 legislative session also required the preparation of a volatility report (now section 50-419.02) and append that report to the TRRC annual report in even-numbered years.

As the Tax Rate Review Committee meets twice each year, for purposes of this provision the annual report will be prepared after the required November meeting

REPORT TO THE TAX RATE REVIEW COMMITTEE

July 22, 2026

Required July Meeting Pursuant to Section 77-2715.01

Tax Rate Review Committee

Speaker of the Legislature	Senator John Arch
Executive Board Chair	Senator Ben Hansen
Revenue Committee Chair	Senator Brad von Gillern
Appropriations Committee Chair	Senator Robert Clements

Tax Commissioner – James R. Kamm

Prepared by the Legislative Fiscal Office

General Fund Financial Status – July Tax Rate Review

		Actual FY2024-25	Actual FY2025-26	FY2026-27	Est for Following Biennium FY2027-28	FY2028-29
1	**BEGINNING BALANCE**					
2	Beginning Cash Balance	1,843,296,751	792,515,104	298,561,902	115,761,354	(301,575,561)
3	Cash Reserve transfers-automatic	(38,746,104)	0	0	0	0
4	School Property Tax transfers-automatic	0	0	0	0	0
5	Carryover obligations from FY26	0	0	(199,282,775)	0	0
5a	Lapse FY25/FY26 carryover (Enacted)	0	0	969,331	0	0
6	Allocation for potential deficits	0	0	0	0	(5,000,000)
7	Unobligated Beginning Balance	1,804,550,647	792,515,104	100,248,458	115,761,354	(306,575,561)
8	**REVENUES & TRANSFERS**					
9	Net Receipts (Includes 2025 Legislation)	6,159,041,662	6,741,003,604	6,781,789,295	6,884,619,670	7,261,345,330
10	General Fund transfers-out (2025)	(1,694,747,425)	(1,716,356,476)	(1,755,653,800)	(1,856,279,740)	(1,918,243,227)
11	General Fund transfers-in (current law)	in receipts	in forecast	in forecast	in estimate	in estimate
12	Cash Reserve transfers (current law)	4,000,000	0	304,000,000	0	0
13	Accounting Adjustment	(5,664,537)	(12,385,539)	0	0	0
14	General Fund Net Revenues	4,462,629,700	5,012,261,589	5,330,135,495	5,028,339,930	5,343,102,103
15	**APPROPRIATIONS**					
16	Expenditures / Appropriations	5,474,665,244	5,506,214,791	5,413,727,981	5,413,727,981	5,413,727,981
17	Mainline Budget and A bills (2026)	0	0	(99,105,382)	(99,105,382)	(99,105,382)
18	Projected budget increase, following biennium	0	0	0	131,054,246	263,179,763
19	General Fund Appropriations	5,474,665,244	5,506,214,791	5,314,622,599	5,445,676,845	5,577,802,362
20	**ENDING BALANCE**					
21	$ Ending balance (per Financial Status)	792,515,104	298,561,902	115,761,354	(301,575,561)	(541,275,820)
22	$ Ending balance (at Min. Reserve 3.0%)			324,317,831		305,452,526
23	Excess (shortfall) from Minimum Reserve			**(208,556,477)**		**(846,728,346)**
24	Biennial Reserve (%)			1.1%		-4.9%
	General Fund Appropriations					
25	Annual % Change - Appropriations (w/o deficits)	1.2%	0.3%	-2.1%	2.5%	2.4%
26	Two Year Average	2.7%	--	-0.9%	--	2.4%
	General Fund Revenues					
27	Est. Revenue Growth (rate/base adjusted)	2.4%	3.0%	3.7%	5.7%	6.6%
28	Two Year Average	1.7%	--	3.4%	--	6.1%
29	Five Year Average	7.7%	--	2.4%	--	4.3%
30	Unadjusted % change over prior year	-13.9%	9.4%	0.6%	1.5%	5.5%
31	On-Going Revenues vs Appropriations	(955,098,280)	(416,084,035)	(288,487,103)	(417,336,914)	(234,700,259)

CASH RESERVE FUND	FY2024-25	FY2025-26	FY2026-27	FY2027-28	FY2028-29
Beginning Balance	912,817,475	877,079,779	829,532,779	526,032,779	476,032,779
Excess of certified forecasts (line 3 in Status)	38,746,104	0	0	0	0
To/from Gen Fund (Enacted)	(4,000,000)	0	(304,000,000)	0	0
To Nebr Capital Construction Fund (NCCF)	(29,458,800)	(36,897,000)	0	0	0
To Gov Emerg Fund (LB 3 - 2024 Spec Session)	(25,000,000)	(10,000,000)	0	0	0
To Transformational Project Fund (LB1107-2020)	0	0	0	(50,000,000)	(50,000,000)
To Health and Human Services Cash	(3,500,000)	0	0	0	0
To Public Safety Comm Systems Revolving Fund	(2,425,000)	0	0	0	0
To State Insurance Fund	(5,000,000)	0	0	0	0
To Self-Insured Liability Fund	(100,000)	(150,000)	0	0	0
To Electrical Board Cash Fund	0	(500,000)	500,000	0	0
To Municipality Infrastructure Aid Fund (LB 600-2024)	(5,000,000)	0	0	0	0
Projected Unobligated Ending Balance	877,079,779	829,532,779	526,032,779	476,032,779	426,032,779
Ending Balance as % of Revenues	14.2%	12.3%	7.8%	6.9%	5.9%
Ending Balance as % of Expenditures	16.0%	15.1%	9.9%	8.7%	7.6%

Changes in the Financial Status since 2026 Session Sine Die

The Sine Die General Fund financial status, published in April of 2026, reflected $6.3 million above the minimum reserve in the FY26/FY27 biennium, and $631.9 million below the minimum reserve for the FY28/FY29 biennium. The General Fund financial status published in this report reflects $208.6 million below the minimum reserve in the FY26/FY27 biennium, and $846.7 million below the minimum reserve for the FY28/FY29 biennium.

For the FY26/FY27 biennium, this is a reduction of $214.8 million from the previously published status. The difference is attributable to the following changes in the financial status since April 2026:

	Causes of the Change in Ending Balance	Sine Die 2026 Session	Tax Rate Review (7/22/26)	Difference: FY26/FY27 Biennium	Difference: FY28/FY29 Biennium
1	Carryover obligations from FY26 to FY27	(277,189,276)	(199,282,775)	77,906,501	77,906,501
2	FY26 Actual vs Est General Fund Net Receipts	6,970,000,000	6,741,003,604	(228,996,396)	(228,996,396)
3	FY26 Actual vs Est Transfers-Out (Not in Feb Forecast)	(91,502)	0	91,502	91,502
4	FY26 Actual vs Est CRF transfers-automatic	(20,000,000)	0	20,000,000	20,000,000
6	FY26 Actual vs Est Accounting adjustment	0	(12,385,539)	(12,385,539)	(12,385,539)
7	FY26 Actual vs Appropriation	0	(77,869,167)	(77,869,167)	(77,869,167)
9	***Change in Projected Ending Balance ----------->***			**(221,253,099)**	**(221,253,099)**
10	Recalculate 3% minimum reserve			6,445,352	6,444,265
11	***Change in Variance from Minimum Reserve ----------->***			**(214,807,747)**	**(214,808,834)**

Actual FY2025-26 Net Receipts vs Estimated FY2025-26 Net Receipts

The February forecast of the Nebraska Economic Forecasting Advisory Board for FY2025-26 is $6.97 billion. Legislation enacted after the February forecast reduced the total transfers into the General Fund from other funds by $91,502, for total revenue (adjusted for legislation) of $6,969,908,498. Actual net receipts for FY2025-26 are $6,741,03,604, which is $228,904,894 below the forecasted amount (adjusted for legislation).

Transfer to the Cash Reserve Fund

The estimated transfer based on FY2025-26 net receipts from the General Fund to the Cash Reserve Fund, which occurs at the beginning of FY2026-27 and is calculated based on statute section 77-4602, was $20 million at the end of the 2026 session (the amount the February forecast exceeded the certified forecast). The actual transfer to the Cash Reserve Fund is $0 because actual receipts did not exceed the certified forecast.

Expenditure of FY2025-26 Appropriation

Total General Fund appropriations for FY2025-26 reflected on the Sine Die 2026 General Fund financial status $5,428,345,624 of new appropriations. Actual General Fund expenditures for FY2025-26 were $5,506,214,791, which utilized carryover funds from the prior year to result in actual expenditures $77,869,167 million more than the FY2025-26 new appropriations.

Change in carryover obligations

The estimated carryover obligations from FY2045-25 to FY2025-26 at Sine Die of the 2026 session was $277.2 million. The calculated carryover obligations from FY2025-26 to FY2026-27 published in this report are $199.3 million, a difference of $77.9 million.

FY2025-26 is the first year of a two-year biennium budget, and as such, any unexpended amounts carry over to the second year of the biennium, unless an amount was specifically lapsed.

Accounting Adjustments

Most of the "accounting adjustments" are transfers-out that are authorized in statute but not in specific amounts such as legislatively enacted transfers or occur on a deficit basis, like the Dept. of Revenue tax enforcement transfer per tax amnesty legislation.

Transfer-Out Fund 21540 & 21541 Dept. of Revenue enforcement	(750,000)
Transfer-Out to Mutual Finance Assistance Fund, cash flow	(5,203,685)
Transfer-Out State Patrol Cash	(51,458)
Transfer-Out Fund 27237 Imagine NE Revolving Loan 77-6841	(2,198,575)
Transfer-Out Fund 21540 Dept of Revenue - Section 77-367	(1,395,653)
All other accounting adjustments	(2,786,167)
Total Accounting adjustment	(12,385,539)

Change in the Minimum Reserve

When incorporating the FY2025-26 actual revenues, expenditures, and ending balance, the amount required pursuant to the minimum reserve requirement is $6,445,352 less for the FY26/FY27 biennium. The amount required pursuant to the minimum reserve requirement is $6,444,265 less for the following biennium than the amount estimated at Sine Die.

FY2025-26 Actual General Fund Receipts

Table 1 compares forecasts with actual receipts for FY2025-26. Included in the table are the certified July forecast, which followed the 2025 Session, and the October and February NEFAB forecasts. The October NEFAB forecast was the final certified forecast for FY2025-26 pursuant to Neb. Rev. Stat. sec. 77-4603.

The forecasted amounts reflected in the table do not include the reduction of $91,502 in transfers to the General Fund authorized in the budget subsequent to the February NEFAB meeting.

Table 2 shows actual receipts and tax rate and base adjusted growth rates for FY2025-26 and the previous five years, Table 3 shows a chronology of the FY2025-26 forecasts, and Table 4 provides historical and projected revenues.

Table 1 FY2025-26 Actual Receipts vs Forecast

	Cert July 2025	Cert Oct 2025	Feb 2026	Actual	$ Variance	$ Variance	$ Variance
TOTAL BY MONTH	FY2025-26	FY2025-26	FY2025-26	FY2025-26	Cert July 2025	Cert Oct 2025	Feb 2026
July	411,003,000	430,751,000	430,751,000	430,750,750	19,747,750	(250)	(250)
August	585,084,000	597,011,000	597,011,000	597,011,395	11,927,395	395	395
September	707,949,000	661,220,000	661,220,000	661,219,657	(46,729,343)	(343)	(343)
October	287,265,000	311,435,000	311,435,000	311,435,178	24,170,178	178	178
November	608,569,000	578,123,000	595,977,000	595,976,715	(12,592,285)	17,853,715	(285)
December	873,106,000	895,907,000	831,602,000	831,602,425	(41,503,575)	(64,304,575)	425
January	566,450,000	566,671,000	603,513,000	603,513,276	37,063,276	36,842,276	276
February	470,575,000	459,742,000	436,439,000	436,439,154	(34,135,846)	(23,302,846)	154
March	533,566,000	533,845,000	527,017,000	449,001,023	(84,564,977)	(84,843,977)	(78,015,977)
April	688,377,000	661,973,000	696,356,000	639,327,980	(49,049,020)	(22,645,020)	(57,028,020)
May	562,648,000	538,741,000	553,989,000	511,038,454	(51,609,546)	(27,702,546)	(42,950,546)
June	775,247,000	714,581,000	724,690,000	673,687,602	(101,559,398)	(40,893,398)	(51,002,398)
Total GF Revenues	7,069,839,000	6,950,000,000	6,970,000,000	6,741,003,608	(328,835,392)	(208,996,392)	(228,996,392)
TOTAL BY QUARTER							
1st Qt (July-Sept)	1,704,036,000	1,688,982,000	1,688,982,000	1,688,981,801	(15,054,199)	(199)	(199)
2nd Qt (Oct-Dec)	1,768,940,000	1,785,465,000	1,739,014,000	1,739,014,317	(29,925,683)	(46,450,683)	317
3rd Qt (Jan-March)	1,570,591,000	1,560,258,000	1,566,969,000	1,488,953,454	(81,637,546)	(71,304,546)	(78,015,546)
4th Qt (April-June)	2,026,272,000	1,915,295,000	1,975,035,000	1,824,054,036	(202,217,964)	(91,240,964)	(150,980,964)
Total GF Revenues	7,069,839,000	6,950,000,000	6,970,000,000	6,741,003,608	(328,835,392)	(208,996,392)	(228,996,392)
TOTAL BY TYPE							
Sales/Use	2,604,938,000	2,665,000,000	2,765,000,000	2,866,926,606	261,988,606	201,926,606	101,926,606
Ind Income	3,055,963,000	3,000,000,000	2,975,000,000	2,635,685,240	(420,277,760)	(364,314,760)	(339,314,760)
Corp Income	901,988,000	785,000,000	740,000,000	719,736,685	(182,251,315)	(65,263,315)	(20,263,315)
Misc Receipts	506,950,000	500,000,000	490,000,000	518,655,078	11,705,078	18,655,078	28,655,078
Total GF Revenues	7,069,839,000	6,950,000,000	6,970,000,000	6,741,003,608	(328,835,392)	(208,996,392)	(228,996,392)

Table 2 Actual Receipts and Adjusted Growth

GENERAL FUND RECEIPTS	FY2020-21	FY2021-22	FY2022-23	FY2023-24	FY2024-25	FY2025-26
Gross Receipts						
Sales and Use	2,746,553,548	3,074,312,574	3,252,191,162	3,392,895,130	3,412,760,294	3,866,065,442
Individual Income	3,699,016,446	3,986,522,071	3,991,494,198	4,144,376,859	3,869,374,692	3,745,192,851
Corporate Income	642,787,525	788,317,225	825,102,980	1,822,582,615	1,227,855,531	847,911,815
Miscellaneous	247,487,690	257,462,295	333,260,332	493,367,892	387,942,685	519,025,358
Total Gross Receipts	7,335,845,209	8,106,614,165	8,402,048,671	9,853,222,496	8,897,933,202	8,978,195,466
Refunds						
City Sales Tax	522,704,310	584,618,788	668,367,865	655,114,233	635,821,276	743,880,102
Sales Tax Refund	89,629,212	227,567,656	104,843,015	129,737,786	107,433,943	84,396,833
Leased MV Transfer	18,912,479	17,724,018	15,940,079	15,182,544	15,181,865	17,423,267
Hwy Fund	94,686,153	102,347,729	111,414,881	117,761,460	119,149,070	136,234,255
C&S Turnback	10,873,123	8,902,302	15,725,386	16,265,040	18,429,942	17,204,378
Individual Income Tax	568,417,122	743,284,478	985,542,139	1,665,322,672	1,689,440,803	1,109,507,611
Corporate Refunds	71,567,200	73,164,489	132,138,250	97,674,480	152,770,453	128,175,130
Miscellaneous Refunds	13,180	10,003	94,563	353,701	664,188	370,280
Total Net Refunds	1,376,802,781	1,757,621,341	2,034,066,179	2,697,411,915	2,738,891,540	2,237,191,858
Net Receipts						
Sales and Use	2,009,748,270	2,133,152,081	2,335,899,936	2,458,834,068	2,516,744,199	2,866,926,606
Individual Income	3,130,599,324	3,243,237,593	3,005,952,059	2,479,054,186	2,179,933,889	2,635,685,240
Corporate Income	571,220,324	715,152,736	692,964,730	1,724,908,135	1,075,085,078	719,736,685
Miscellaneous	247,474,510	257,452,292	333,165,768	493,014,191	387,278,497	518,655,078
Total Net Receipts	**5,959,042,429**	**6,348,994,703**	**6,367,982,492**	**7,155,810,580**	**6,159,041,662**	**6,741,003,608**
Rate/Base Adjusted Growth	**13.8%**	**19.5%**	**1.8%**	**1.1%**	**2.4%**	**3.0%**

Table 3 Chronology of FY2025-26 Revenue Forecasts

	Sales/Use	Individual	Corporate	Misc	Total Forecast	Change in Forecast: Forecast	Change in Forecast: Bills	Change in Forecast: Total
FY2025-26								
LFO Prelim-October 2022	2,688,855	3,356,511	427,561	226,700	6,699,627	0	0	0
LFO Prelim-February 2023	2,665,636	3,374,330	442,907	229,139	6,712,012	12,385	0	12,385
LFO Prelim-April 2023	2,655,650	3,294,000	536,000	266,000	6,751,650	39,638	0	39,638
Sine Die 2023 Session	2,645,622	2,924,006	489,928	262,489	6,322,044	0	(429,606)	(429,606)
LFO Prelim - November 2023	2,658,679	2,959,377	515,698	226,136	6,359,890	37,846	0	37,846
LFO Prelim - February 2024	2,658,679	2,959,377	515,698	226,136	6,359,890	0	0	0
Sine Die 2024 Session	2,656,467	2,948,082	518,983	225,588	6,349,120	(0)	(10,770)	(10,770)
Sine Die 2024 Special Session	2,656,467	3,532,518	583,920	304,338	7,077,243	0	728,123	728,123
Board Est-Oct 2024	2,600,000	3,150,000	870,000	330,000	6,950,000	(127,243)	0	(127,243)
Board Est-Feb 2025	2,600,000	3,150,000	885,000	320,000	6,955,000	5,000	0	5,000
Board Est-April 2025	2,600,000	3,050,000	900,000	315,000	6,865,000	(90,000)	0	(90,000)
Sine Die 2025 Session	2,604,938	3,054,963	902,988	506,950	7,069,839	(0)	204,839	204,839
Board Est-Oct 2025	2,665,000	3,000,000	785,000	500,000	6,950,000	(119,839)	0	(119,839)
Board Est-Feb 2026	2,765,000	2,975,000	740,000	490,000	6,970,000	20,000	0	20,000
Sine Die 2026 Session	2,765,000	2,975,000	740,000	489,908	6,969,908	(0)	(92)	(92)
Actual Receipts	2,866,927	2,635,685	719,737	518,655	6,741,004	(228,905)	0	(228,905)
Change: First Prelim to Current	178,072	(720,826)	292,176	291,955	41,377	(451,117)	492,494	41,377
Change: First NEFAB to Current	266,927	(514,315)	(150,263)	188,655	(208,996)	(413,744)	204,747	(208,996)

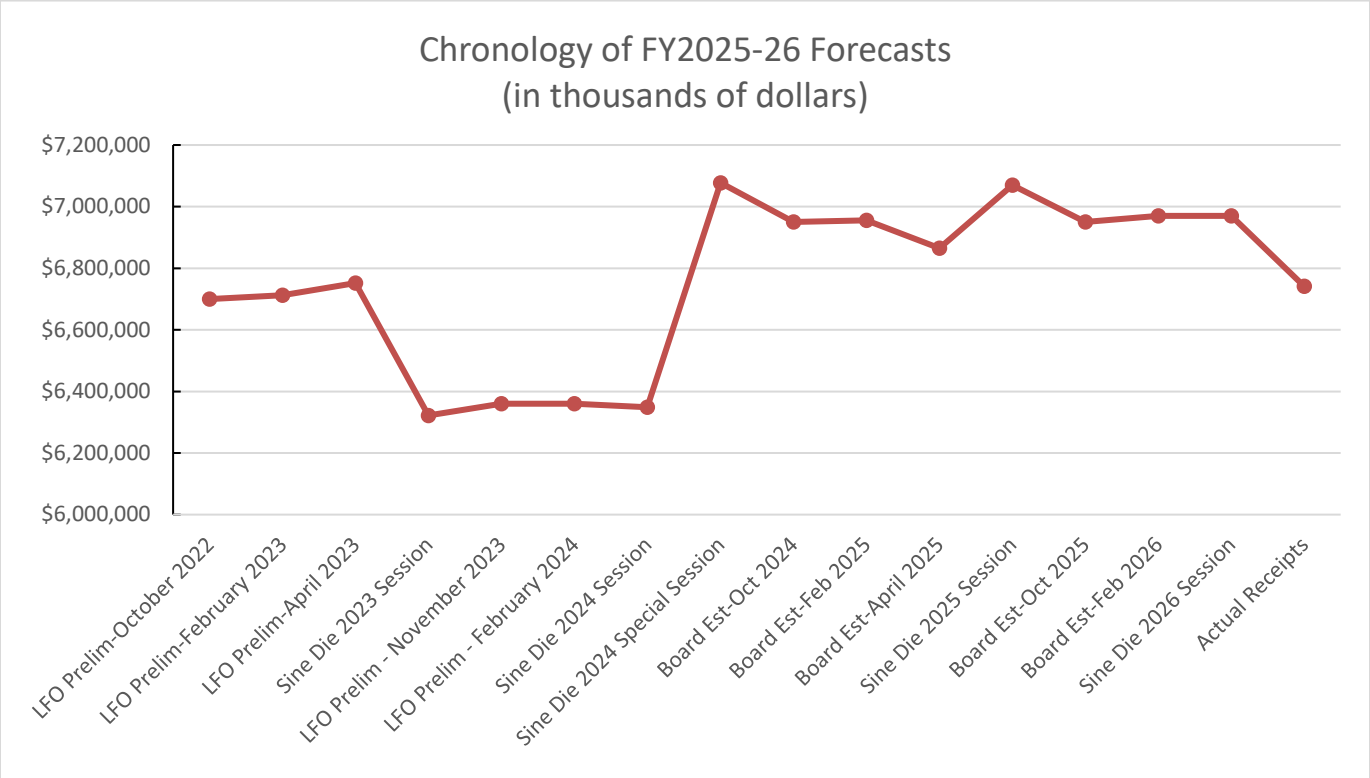
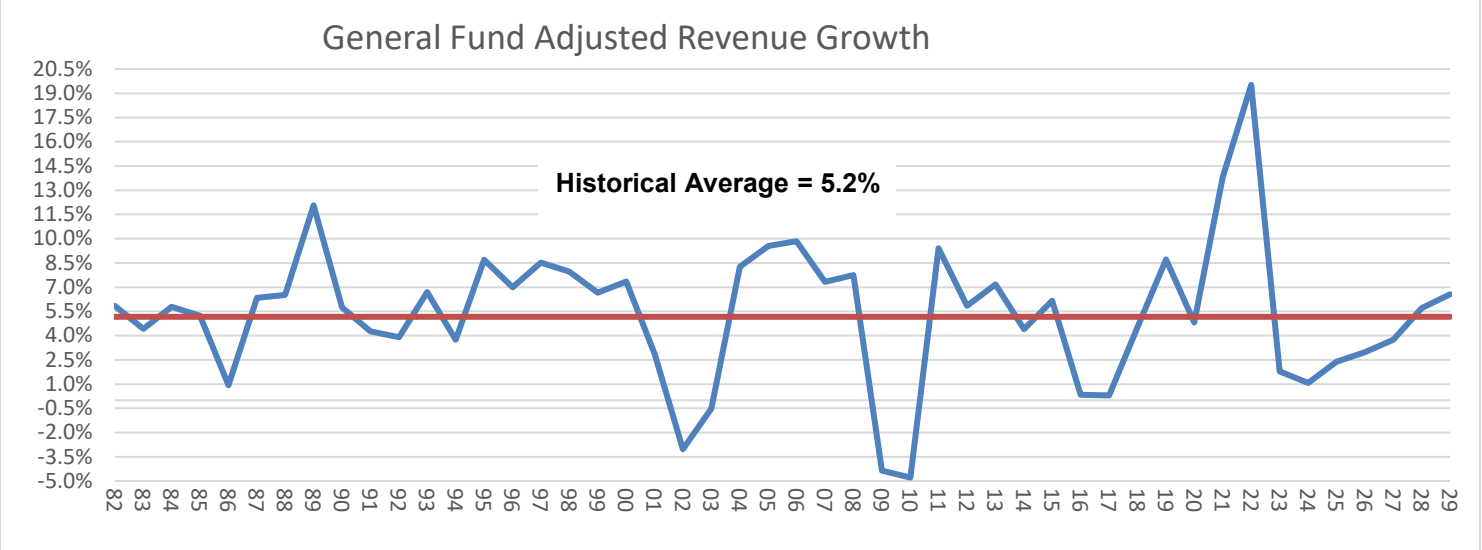


Table 4 Historical and Projected Revenues

Fiscal Year	Sales and Use Tax	Individual Income Tax	Corporate Income Tax	Miscellaneous Taxes/Fees	Total Net Receipts	Unadj. % Change	Adjusted % Change
FY 2000-01	905,023,176	1,233,363,553	138,040,082	180,435,044	2,456,861,855	2.2%	2.9%
FY 2001-02	918,889,782	1,159,810,647	107,628,074	179,180,246	2,365,508,749	-3.7%	-3.0%
FY 2002-03	1,028,931,065	1,129,421,651	111,597,405	186,449,714	2,456,399,835	3.8%	-0.5%
FY 2003-04	1,114,374,321	1,249,890,025	167,429,431	187,033,230	2,718,727,007	10.7%	8.3%
FY 2004-05	1,231,011,089	1,400,076,680	198,380,442	207,726,086	3,037,194,297	11.7%	9.5%
FY 2005-06	1,263,678,691	1,545,338,061	262,295,456	280,875,316	3,352,187,524	10.4%	9.9%
FY 2006-07	1,303,826,416	1,650,895,394	213,027,010	240,582,953	3,408,331,773	1.7%	7.3%
FY 2007-08	1,321,867,139	1,726,145,405	232,851,654	225,298,373	3,506,162,571	2.9%	7.7%
FY 2008-09	1,326,161,017	1,600,418,236	198,483,786	232,405,148	3,357,468,187	-4.2%	-4.4%
FY 2009-10	1,289,796,877	1,514,830,114	154,332,137	245,720,545	3,204,679,673	-4.6%	-4.8%
FY 2010-11	1,372,784,033	1,735,208,600	154,944,966	236,717,493	3,499,655,092	9.2%	9.4%
FY 2011-12	1,436,909,373	1,822,884,254	234,266,237	201,828,916	3,695,888,780	5.6%	5.9%
FY 2012-13	1,474,942,641	2,101,912,041	275,562,990	199,940,938	4,052,358,610	9.6%	7.2%
FY 2013-14	1,524,793,763	2,060,758,896	306,591,027	225,264,546	4,117,408,232	1.6%	4.4%
FY 2014-15	1,535,419,516	2,205,463,903	346,477,378	217,738,529	4,305,099,326	4.6%	6.2%
FY 2015-16	1,528,023,310	2,221,088,817	307,669,694	251,199,454	4,307,981,275	0.1%	0.3%
FY 2016-17	1,548,388,848	2,224,840,053	264,439,713	228,103,331	4,265,771,945	-1.0%	0.3%
FY 2017-18	1,602,737,358	2,360,595,935	313,689,521	289,972,959	4,566,995,773	7.1%	4.5%
FY 2018-19	1,658,107,133	2,545,680,039	423,737,571	268,853,778	4,896,378,521	7.2%	8.7%
FY 2019-20	1,848,235,959	2,445,647,485	391,163,752	254,715,415	4,939,762,611	0.9%	4.8%
FY 2020-21	2,009,748,270	3,130,599,324	571,220,324	247,474,510	5,959,042,428	20.6%	13.8%
FY 2021-22	2,133,152,081	3,243,237,593	715,152,736	257,452,292	6,348,994,702	6.5%	19.5%
FY 2022-23	2,335,899,936	3,005,952,059	692,964,729	333,165,768	6,367,982,492	0.3%	1.8%
FY 2023-24	2,458,834,067	2,479,054,187	1,724,908,135	493,014,191	7,155,810,580	12.4%	1.1%
FY 2024-25	2,516,744,199	2,179,933,889	1,075,085,078	387,278,497	6,159,041,662	-13.9%	2.4%
FY 2025-26	2,866,926,607	2,635,685,248	719,736,684	518,655,078	6,741,003,617	9.4%	3.0%
FY 2026-27 NEFAB	2,512,870,000	3,077,192,000	711,048,000	480,679,295	6,781,789,295	0.6%	3.7%
FY2027-28 Prelim	2,800,005,045	3,081,228,000	693,901,000	309,485,625	6,884,619,670	1.5%	5.7%
FY2028-29 Prelim	3,081,368,705	3,161,457,250	699,990,750	318,528,625	7,261,345,330	5.5%	6.6%
Current 5 Year Status	4.2%	6.9%	-3.6%	-4.7%	4.5%		
Above Average Years (25)	5.9%	9.9%	14.5%	4.0%	8.2%		
Below Average Years (19)	2.3%	2.2%	-4.4%	2.1%	1.5%		
Historical Average	4.5%	6.4%	5.9%	2.1%	5.2%		



The following table shows the February 2026 Nebraska Economic Forecasting Advisory Board forecasts for FY2025-26 and FY2026-27, along with the LFO preliminary estimates for FY2027-28 and FY2028-29, which are based on the historical average methodology and were approved by the Appropriations and Revenue Committees in March 2026. The table also includes adjustments for the impact on net receipts of legislation enacted in the 2026 legislative session. Table 6 shows the total adjustments by bill and type of tax.

Table 5 Estimated General Fund Revenue with

Adjustments for 2026 Revenue Legislation

Revenue Estimates Used in Financial Status – Sine Die 2026	NEFAB FY2025-26	NEFAB FY2026-27	LFO Prelim FY2027-28	LFO Prelim FY2028-29
Sales and Use Tax	2,765,000,000	2,500,000,000	2,786,164,045	3,067,561,705
Individual Income Tax	2,975,000,000	3,075,000,000	3,081,907,000	3,162,219,250
Corporate Income Tax	740,000,000	715,000,000	699,619,000	710,842,750
Miscellaneous receipts	490,000,000	335,000,000	291,414,000	299,772,000
Total Revenues	6,970,000,000	6,625,000,000	6,859,104,045	7,240,395,705

2026 Session Legislation	FY2025-26	FY2026-27	FY2027-28	FY2028-29
Sales and Use Tax	0	12,870,000	13,841,000	13,807,000
Individual Income Tax	0	2,192,000	(679,000)	(762,000)
Corporate Income Tax	0	(3,952,000)	(5,718,000)	(10,852,000)
Miscellaneous receipts	(91,502)	145,679,295	18,071,625	18,756,625
Total 2026 Session Legislation	(91,502)	156,789,295	25,515,625	20,949,625

Total GF Revenues	NEFAB+Bills FY2025-26	NEFAB+Bills FY2026-27	LFO Prelim+bills FY2027-28	LFO Prelim+bills FY2028-29
Sales and Use Tax	2,765,000,000	2,512,870,000	2,800,005,045	3,081,368,705
Individual Income Tax	2,975,000,000	3,077,192,000	3,081,228,000	3,161,457,250
Corporate Income Tax	740,000,000	711,048,000	693,901,000	699,990,750
Miscellaneous receipts	489,908,498	480,679,295	309,485,625	318,528,625
Total General Fund Revenues	6,969,908,498	6,781,789,295	6,884,619,670	7,261,345,330

Table 6 Adjustments for 2026 Revenue Legislation by Bill and Type of Tax

Revenue Bills	FY2025-26	FY2026-27	FY2027-28	FY2028-29	Type
LB 803 - Change property tax provisions	0	0	(126,000)	(126,000)	ind
LB 838 - Change financial provisions	0	4,902,000	6,831,000	7,138,000	misc
LB 894 - Change Grain Warehouse Act	0	1,800	0	0	misc
LB 901 - Change tax provisions	0	6,459,000	9,476,000	9,854,000	misc
LB 901 - Change tax provisions	0	2,192,000	(553,000)	(636,000)	ind
LB 901 - Change tax provisions	0	12,870,000	13,841,000	13,807,000	sales
LB 935 - Change court fees	0	4,000,000	4,000,000	4,000,000	misc
LB 967 - Change insurance provisions	0	2,200,000	0	0	misc
LB 1126 - Change transportation provisions	0	(375)	(375)	(375)	misc
LB 1165 - Change ImagiNE Act provisions	0	(3,952,000)	(5,718,000)	(10,852,000)	corp
LB 1209 - Appropriate funds for A bills	0	(5,000,000)	0	0	misc
Revenue Bills-Passed	0	23,672,425	27,750,625	23,184,625	
Cash Fund Transfers In - Budget bills	(91,502)	132,151,870	(3,200,000)	(3,200,000)	misc
Investment Earnings - Budget bills	0	215,000	215,000	215,000	misc
Workers Comp Assessment - Budget bills	0	750,000	750,000	750,000	misc
Total Revenue Bills to add to NEFAB forecast	(91,502)	156,789,295	25,515,625	20,949,625	
2026 Bills by Type					
Sales/Use Tax	0	12,870,000	13,841,000	13,807,000	
Individual Income Tax	0	2,192,000	(679,000)	(762,000)	
Corporate Income Tax	0	(3,952,000)	(5,718,000)	(10,852,000)	
Miscellaneous receipts	(91,502)	145,679,295	18,071,625	18,756,625	
Total Revenue Bills to add to NEFAB forecast	(91,502)	156,789,295	25,515,625	20,949,625	

Cash Reserve Fund

	Beginning Balance	Direct Deposit and Interest	Automatic Transfers (1)	Legislative Transfers (2) Gen Fund	Legislative Transfers (2) Other Funds	Cash Flow	Ending Balance	EB as % of revenues	EB as % of expend
FY1983-84	0	37,046,760	na	0	0	0	37,046,760	4.7%	4.9%
FY1984-85	37,046,760	(1,472,551)	na	0	0	0	35,574,209	4.5%	4.4%
FY1985-86	35,574,209	227,855	na	(13,500,000)	0	0	22,302,064	2.7%	2.7%
FY1986-87	22,302,064	1,428,021	na	0	0	0	23,730,085	2.7%	2.8%
FY1987-88	23,730,085	1,654,844	na	0	(7,700,000)	0	17,684,929	1.7%	2.0%
FY1988-89	17,684,929	139,000	na	32,600,000	0	0	50,423,929	4.4%	5.1%
FY1989-90	50,423,929	113,114	na	(10,500,000)	0	0	40,037,043	3.5%	3.4%
FY1990-91	40,037,043	0	na	(8,100,000)	0	0	31,937,043	2.3%	2.3%
FY1991-92	31,937,043	0	na	(5,000,000)	0	0	26,937,043	1.8%	1.7%
FY1992-93	26,937,043	0	na	(9,500,000)	0	0	17,437,043	1.1%	1.1%
FY1993-94	17,437,043	0	3,063,462	7,250,000	0	0	27,750,505	1.7%	1.7%
FY1994-95	27,750,505	0	(8,518,701)	7,250,000	(6,000,000)	0	20,481,804	1.2%	1.2%
FY1995-96	20,481,804	0	(20,481,804)	18,189,565	0	0	18,189,565	1.0%	1.0%
FY1996-97	18,189,565	0	19,740,786	3,032,333	0	0	40,962,684	2.0%	2.2%
FY1997-98	40,962,684	0	91,621,018	0	0	0	132,583,702	6.3%	6.9%
FY1998-99	132,583,702	0	111,616,422	(96,500,000)	(2,000,000)	0	145,700,124	6.9%	6.5%
FY1999-00	145,700,124	0	20,959,305	3,500,000	(28,000,000)	0	142,159,429	5.9%	6.1%
FY2000-01	142,159,429	0	77,576,670	(24,500,000)	(25,000,000)	0	170,236,099	6.9%	6.9%
FY2001-02	170,236,099	0	0	(59,800,000)	(370,000)	0	110,066,099	4.7%	4.2%
FY2002-03	110,066,099	66,476,446	0	(87,400,000)	0	(30,000,000)	59,142,545	2.4%	2.3%
FY2003-04	59,142,545	59,463,461	0	(61,191,862)	(385,807)	30,000,000	87,028,337	3.2%	3.4%
FY2004-05	87,028,337	8,170,556	108,727,007	(26,000,000)	(758,180)	0	177,167,720	5.8%	6.5%
FY2005-06	177,167,720	0	261,715,297	0	(165,266,227)	0	273,616,790	8.2%	9.4%
FY2006-07	273,616,790	0	259,929,524	(15,674,107)	(1,784,416)	0	516,087,791	15.1%	16.5%
FY2007-08	516,087,791	0	191,436,773	(60,177,767)	(101,801,000)	0	545,545,797	15.6%	16.8%
FY2008-09	545,545,797	0	116,976,571	(54,990,505)	(29,340,000)	0	578,191,863	17.2%	17.4%
FY2009-10	578,191,863	0	0	(105,000,000)	(5,990,237)	0	467,201,626	14.6%	14.1%
FY2010-11	467,201,626	0	0	(154,000,000)	0	0	313,201,626	8.9%	9.4%
FY2011-12	313,201,626	8,422,528	145,155,092	(37,000,000)	3,560,802	(4,461,676)	428,878,372	11.6%	12.4%
FY2012-13	428,878,372	0	104,789,781	(78,000,000)	(76,008,427)	4,461,676	384,121,402	9.5%	10.7%
FY2013-14	384,121,402	0	285,292,610	49,400,000	251,294	0	719,065,306	17.5%	18.7%
FY2014-15	719,065,306	0	96,721,232	(67,701,112)	(20,250,000)	0	727,835,426	16.9%	18.1%
FY2015-16	727,835,426	0	84,599,532	0	(81,779,850)	0	730,655,108	17.0%	17.4%
FY2016-17	730,655,108	0	0	0	(50,000,000)	0	680,655,108	16.0%	15.7%
FY2017-18	680,655,108	265,729	0	(225,000,000)	(115,930,772)	0	339,990,065	7.4%	7.8%
FY2018-19	339,990,065	0	61,995,773	(48,000,000)	(20,436,714)	0	333,549,124	6.8%	7.6%
FY2019-20	333,549,124	0	176,378,178	0	(83,619,600)	0	426,307,702	8.6%	9.2%
FY2020-21	426,307,702	0	10,655,528	(30,000,000)	60,000,972	0	466,964,202	7.8%	10.3%
FY2021-22	466,964,202	0	535,259,366	50,000,000	(124,700,000)	0	927,523,568	14.6%	19.9%
FY2022-23	927,523,568	0	1,287,998,995	40,000,000	(617,670,000)	0	1,637,852,563	25.7%	31.8%
FY2023-24	1,637,852,563	0	2,982,492	440,000,000	(1,168,017,580)	0	912,817,475	12.8%	17.2%
FY2024-25	912,817,475	0	38,746,104	(4,000,000)	(70,483,800)	0	877,079,779	14.2%	16.0%
FY2025-26	877,079,779	0	0	0	(47,547,000)	0	829,532,779	12.3%	15.1%
FY2026-27 Est	829,532,779	0	0	(304,000,000)	500,000	0	526,032,779	7.8%	9.9%
FY2027-28 Est	526,032,779	0	0	0	(50,000,000)	0	476,032,779	6.9%	8.7%
FY2028-29 Est	476,032,779	0	0	0	(50,000,000)	0	426,032,779	5.9%	7.6%

(1) Automatic transfers reflect the prior year variance from forecast. For example, the $84.6 million transfer in FY15-16 actually reflects FY14-15 "excess" receipts compared to the certified forecast. Prior to FY95-96 the transfers occurred in all cases. After FY95-96 transfers only occurred if receipts were above forecast.

(2) Legislative transfers are enacted by legislation and include transfers to the General Fund or other funds.

Projected Appropriations – FY28/FY29 Following Biennium

For the "following biennium" (FY2027-28 and FY2028-29), the mainline budget numbers reflect the annualized impact of the current budget actions plus an estimate of future year increases in entitlement programs, salary and health insurance increases, and other funding requirements. Obviously, actual funding needs in these areas will not be known until the biennial budget process starts again. However, for planning purposes, some level of funding for these items must be acknowledged and shown as likely funding commitments.

In March 2026, the Appropriations and Revenue Committees approved a 2.5% per year General Fund appropriations growth for FY2027-28 and FY2028-29. The estimate remains unchanged for purposes of this report. The ongoing impact of 2026 legislation is shown in line 17 on the General Fund financial status, and is shown in Table 7. Tables 8 and 9 show total appropriations estimates for FY2027-28 and FY2028-29 by type and category. The estimates used are the March 2026 joint meeting approved numbers, adjusted for 2026 legislation. The resulting appropriations growth is 2.5% in FY2027-28 and 2.4% in FY2028-29.

Table 7 Adjustments for 2026 Appropriations Legislation by Bill

Appropriations Bills	FY2025-26	FY2026-27	FY2027-28	FY2028-29
LB 365 - Require coverage of blood pressure monitoring services	0	9,634	19,268	19,268
LB 455 - Change worker's compensation	0	indeterminate	indeterminate	indeterminate
LB 762 - Change insurance provisions	0	indeterminate	indeterminate	indeterminate
LB 803 - Change property tax provisions	0	1,287,868	1,003,783	1,007,183
LB 838 - Change financial provisions	0	523,247	136,300	140,300
LB 958 - Change Medical Assistance Provisions	0	0	0	1,546,350
LB 912 - Community Health Worker Training	0	187,151	338,010	338,010
LB 966 - Adopt the Hunger Free Schools Act	0	55,638	55,638	55,638
LB 972 - Change provisions related to license plates	0	72,400	69,400	71,600
* LB 1209 - Appropriate funds for A bills	0	(23,411,170)	(28,884,016)	(32,667,170)
LB 1237 - Change security provisions in the State Capitol	0	0	994,164	994,164
Appropriations Bills-Passed	0	(21,275,232)	(26,267,453)	(28,494,657)

*LB 1209 contains appropriations changes for LB 759, LB 847, LB 867, LB 901, LB 1101, and LB 1235

Table 8 Appropriations Estimates for FY2027-28 and FY2028-29

	FY2024-25	FY2025-26	FY2026-27	FY2027-28	FY2028-29
Agency Operations	2,128,670,186	2,083,210,840	2,095,968,349	2,137,027,254	2,192,124,627
State Aid to Ind/Other	1,707,748,853	1,729,512,824	1,638,223,743	1,678,306,166	1,709,897,015
State Aid to Local Govt	1,556,005,014	1,594,068,033	1,559,126,579	1,608,289,496	1,653,726,791
Construction	21,303,928	21,553,928	21,303,928	22,053,928	22,053,928
GF Appropriations w/o deficits	5,413,727,981	5,428,345,624	5,314,622,599	5,445,676,845	5,577,802,362
Deficits	60,725,434	0	0	0	0
Total GF Appropriations	5,474,453,415	5,428,345,624	5,314,622,599	5,445,676,845	5,577,802,362
DOLLAR CHANGE					
Operations	66,012,603	(45,459,347)	12,757,510	41,058,905	55,097,373
State Aid to Ind/Other	1,726,001	21,763,971	(91,289,081)	40,082,423	31,590,849
State Aid to Local Govt	(3,279,858)	38,063,019	(34,941,454)	49,162,918	45,437,295
Construction	0	250,000	(250,000)	750,000	0
Total GF Dollar Change	64,458,746	14,617,644	(113,723,026)	131,054,246	132,125,517
PERCENT CHANGE (w/o deficits)					
Agency Operations	3.4%	-2.1%	0.6%	2.0%	2.6%
State Aid to Ind/Other	-0.2%	1.3%	-5.3%	2.4%	1.9%
State Aid to Local Govt	-0.2%	2.4%	-2.2%	3.2%	2.8%
Construction	0.0%	1.2%	-1.2%	3.5%	0.0%
Total GF Percent Change	1.2%	0.3%	-2.1%	2.5%	2.4%

Table 9 Appropriations Estimates by Category for FY2027-28 and FY2028-29

	FY2027-28	FY2028-29	FY2027-28	FY2028-29	Two-Year Total
AID TO LOCAL GOVT					
Aid to K-12 Schools (TEEOSA GF only)	2.0%	1.4%	19,987,874	34,425,909	54,413,782
Special Education	7.0%	7.0%	16,500,710	34,156,469	50,657,179
Community Colleges	2.0%	2.0%	2,282,334	4,610,315	6,892,649
Homestead Exemption	6.0%	6.0%	10,392,000	21,407,520	31,799,520
All Other (Aid-Local)	0.0%	0.0%	0	0	0
AID TO INDIVIDUALS					
Medicaid	2.0%	2.0%	15,993,380	32,306,628	48,300,009
Public Assistance	1.0%	1.0%	750,176	1,507,854	2,258,031
Child Welfare Aid	2.0%	2.0%	12,416,730	15,980,672	28,397,403
Developmental Disability aid	2.0%	2.0%	7,735,015	15,624,730	23,359,744
Behavioral Health aid	2.0%	2.0%	2,487,333	4,839,816	7,327,149
Children's Health Insurance (SCHIP)	2.0%	2.0%	699,788	1,413,571	2,113,359
All Other (Aid-Ind)	0.0%	0.0%	0	0	0
AGENCY OPERATIONS					
Employee Salaries (agencies)	3.0%	3.0%	27,043,538	54,898,381	81,941,919
Employee Health Insurance (agencies)	4.0%	4.0%	5,278,985	10,769,129	16,048,114
University/Colleges increased funding	2.3%	2.4%	17,435,312	35,415,446	52,850,757
Operations increase (all agencies)	3.0%	3.0%	5,112,738	10,378,859	15,491,597
Staffing /population costs /medical (NDCS)	2.0%	2.0%	3,722,530	7,445,060	11,167,590
Retirement (Schools, Patrol, Judges)	Fixed	Fixed	6,312,317	9,312,317	15,624,634
All Other (Oper)	Fixed	Fixed	(23,846,514)	(32,062,914)	(55,909,428)
CONSTRUCTION			750,000	750,000	1,500,000
TOTAL INCREASE			**131,054,246**	**263,179,763**	**394,234,009**

Appendix A

Statutory Required Meetings

Section 77-2715.01 relates to the Legislature setting the sales and income tax rates and creates the Tax Rate Review Committee and its duties and responsibilities

"(1)(a) Commencing in 1987 the Legislature shall set the rates for the income tax imposed by section 77-2715 and the rate of the sales tax imposed by subsection (1) of section 77-2703. For taxable years beginning or deemed to begin before January 1, 2013, the rate of the income tax set by the Legislature shall be considered the primary rate for establishing the tax rate schedules used to compute the tax.

(b) The Legislature shall set the rates of the sales tax and income tax so that the estimated funds available plus estimated receipts from the sales, use, income, and franchise taxes will be not less than three percent nor more than seven percent in excess of the appropriations and express obligations for the biennium for which the appropriations are made. The purpose of this subdivision is to insure that there shall be maintained in the state treasury an adequate General Fund balance, considering cash flow, to meet the appropriations and express obligations of the state.

(c) For purposes of this section, express obligation shall mean an obligation which has fiscal impact identifiable by a sum certain or by an established percentage or other determinative factor or factors.

2) The Speaker of the Legislature and the chairpersons of the Legislature's Executive Board, Revenue Committee, and Appropriations Committee shall constitute a committee to be known as the Tax Rate Review Committee. The Tax Rate Review Committee shall meet with the Tax Commissioner within ten days after July 15 and November 15 of each year and shall determine whether the rates for sales tax and income tax should be changed. In making such determination the committee shall recalculate the requirements pursuant to the formula set forth in subsection (1) of this section, taking into consideration the appropriations and express obligations for any session, all miscellaneous claims, deficiency bills, and all emergency appropriations. The committee shall prepare an annual report of its determinations under this section. The committee shall submit such report electronically to the Legislature and shall append the tax expenditure report required under section 77-382 and the revenue volatility report required under section 50-419.02.

In the event it is determined by a majority vote of the committee that the rates must be changed as a result of a regular or special session or as a result of a change in the Internal Revenue Code of 1986 and amendments thereto, other provisions of the laws of the United States relating to federal income taxes, and the rules and regulations issued under such laws, the committee shall petition the Governor to call a special session of the Legislature to make whatever rate changes may be necessary."

Annual Report

LB962 enacted in the 2012 legislative session included a requirement that the Tax Rate Review Committee prepare an ***annual*** report of its determinations. As the Tax Rate Review Committee meets twice each year, for purposes of this provision the annual report will be prepared after the required November meeting.

REVENUE VOLATILITY REPORT

November 2026

Introduction

Examining revenue volatility as it pertains to Nebraska's General Fund revenue stream could be approached several different ways, such as year over year change in relation to change is some other benchmark, such as change in personal income, wages and salaries or agricultural income—which would fundamentally be an examination of driver variables to a revenue forecasting effort.

Another approach could attempt to disaggregate year over year change in revenue into other components such as changes driven by law (rate and base changes) at the state and federal level as distinguished from an assessment of natural growth due to economic (as noted above), and demographic (population) changes.

However, when viewing the statutory direction for this report, the focus is on assessing the role of the Cash Reserve fund to meet changing conditions for General Fund revenue and budget stability. Specifically, the statute states (emphasis added):

"(2) The report shall:

(a) Evaluate the tax base and the tax revenue volatility of revenue streams that provide funding for the state General Fund budget;

b) Identify federal funding included in the state budget and any projected changes in the amount or value of federal funding or potential areas in which federal funding could be lost;

(c) Identify current and projected balances of the Cash Reserve Fund;

(d) Analyze the adequacy of current and projected balances of the Cash Reserve Fund in relation to the tax revenue volatility and the risk of a reduction in the amount or value of federal funding or potential areas in which federal funding could be lost;

(e) Include revenue projections for the ensuing two fiscal years included in the impending biennial budget; and

(f) Contain any other recommendations that the Legislative Fiscal Analyst determines are necessary."

The emphasis on interaction with the Cash Reserve Fund thus becomes the focus of this report. What follows will address each of these items as set forth in the law.

Section 1: Evaluate the tax base and the tax revenue volatility of revenue streams that provide funding for the state General Fund budget

Volatility, in part, is defined as characteristic of rapid or unexpected change. Unexpected change can be thought of as results at variance to expectations, and in this specific context, revenue results at variance to expectations (forecasts). Any variability can translate into financial stress (revenue underperforms), or opportunity (revenue exceeds expectations).

Nebraska's state budget process has a useful benchmark in evaluating stress or opportunity—revenue estimates in place for the next fiscal year are defined as a "certified estimate," which is a determination of the Tax Commissioner and the Legislative Fiscal Analyst. The certified estimate is the sum of the most recent official forecast for the General Fund prior to the end of the legislative session, plus or minus legislation enacted, (state and federal) that would add or subtract to that forecast. Practically speaking, when budget decisions are made during a session, revenue estimates used to balance are generated about 14 months prior to the end of the fiscal year. Since forecasts and the budget process is a multi-year exercise, any certified forecast is a baseline for subsequent years, and actual results drive periodic forecast revisions that flow forward into the next year or biennium providing the baseline for the next certification for a new fiscal year.

Table 1 displays actual revenues for the years listed, as compared to the forecast certified the July prior to the fiscal year end. The forecast error as a percentage of the certified forecast is also included.

Most revealing is the clustering of errors, a series of underestimates, followed by a grouping of over estimates. These serial events correlations illustrate how year to year revenue forecasts tend to not rapidly adjust to inflection points (adjust to a changing trend), and perhaps, to some extent reflect a cyclical pattern. Though based on a limited number of observations, the consequence of the clustering and average errors of year ahead forecasts provide useful insights for assessing volatility in the state revenue stream.

In simplest terms, if average errors of years where revenue exceeds forecast are at or above 4% (the "Above Forecast" column) and likewise, negative errors have averaged around 4% (the "Below Forecast" column), it becomes clear that saving excesses in the former case could offset revenue shortages in the latter case. This -4% variability multiplied by the number of years in a below forecast revenue cycle could translate into a dollar amount for a desirable objective to reach as the state enters into the early stages of the revenue shortfall cycle.

Since 1990-91 there have been two cycles of persistent negative forecast errors of four years, one cycle of three years, and two cycles of two years, the most recent two fiscal years making up the most recent cycle negative forecast error.

The two years with negative forecast error follow an unprecedented period of years where the state experienced six consecutive fiscal years with positive forecast error. Since FY1986-87, there were five cycles of positive forecast error: three cycles of five years, one cycle of four years, and the most recent cycle of six years. During the COVID-19 pandemic, FY2020-21 and FY2021-22, were outliers in regard to the magnitude of the error. This trend in terms of the magnitude of the error could be seen in other states as well due to extraordinary circumstances related to the COVID-19 pandemic stimulus from the federal government and resulting economic conditions. If these two years are excluded from calculations, the 30-year average for positive forecast error is 4.9%, rather than 7.0% when FY2020-21 (19.2% forecast error) and FY2021-22 (30.1% forecast error) are included.

Assuming the risk is a revenue decline averaging 4% per year, a Cash Reserve Fund balance of at least 12% to 16% of projected revenue is a desirable objective assuming a three-year or four-year negative forecast cycle. The current Cash Reserve Fund balance is estimated for FY2026-27 to be below this range, at 7.7%. The balance was 12.3% of revenues in FY2025-26, but the enacted budget transfers $304 million to the General Fund in FY2026-27.

Table 1 Actual vs. Projected General Fund Revenues

Fiscal Year	Type	Forecast 1 Yr Prior	Actual Receipts	Variance from Forecast Dollar	Variance from Forecast Pct	Abs Value of Error	Below Forecast	Above Forecast
FY1984-85	Total	834,300	783,351	(50,949)	-6.11%	6.11%	-6.11%	
FY1985-86	Total	903,100	834,236	(68,864)	-7.63%	7.63%	-7.63%	
FY1986-87	Total	878,121	886,354	8,233	0.94%	0.94%		0.94%
FY1987-88	Total	924,000	1,016,098	92,098	9.97%	9.97%		9.97%
FY1988-89	Total	988,437	1,133,447	145,010	14.67%	14.67%		14.67%
FY1989-90	Total	1,110,883	1,152,709	41,826	3.77%	3.77%		3.77%
FY1990-91	Total	1,334,600	1,367,078	32,478	2.43%	2.43%		2.43%
FY1991-92	Total	1,493,227	1,490,409	(2,818)	-0.19%	0.19%	-0.19%	
FY1992-93	Total	1,537,987	1,524,662	(13,325)	-0.87%	0.87%	-0.87%	
FY1993-94	Total	1,662,548	1,653,753	(8,795)	-0.53%	0.53%	-0.53%	
FY1994-95	Total	1,729,901	1,705,490	(24,411)	-1.41%	1.41%	-1.41%	
FY1995-96	Total	1,834,289	1,836,731	2,442	0.13%	0.13%		0.13%
FY1996-97	Total	1,917,984	2,009,604	91,620	4.78%	4.78%		4.78%
FY1997-98	Total	1,993,835	2,105,451	111,616	5.60%	5.60%		5.60%
FY1998-99	Total	2,102,910	2,123,837	20,927	1.00%	1.00%		1.00%
FY1999-00	Total	2,326,348	2,403,924	77,576	3.33%	3.33%		3.33%
FY2000-01	Total	2,480,701	2,456,862	(23,839)	-0.96%	0.96%	-0.96%	
FY2001-02	Total	2,631,848	2,365,509	(266,339)	-10.12%	10.12%	-10.12%	
FY2002-03	Total	2,723,377	2,456,400	(266,977)	-9.80%	9.80%	-9.80%	
FY2003-04	Total	2,731,975	2,718,726	(13,249)	-0.48%	0.48%	-0.48%	
FY2004-05	Total	2,775,479	3,037,194	261,715	9.43%	9.43%		9.43%
FY2005-06	Total	3,092,258	3,352,188	259,930	8.41%	8.41%		8.41%
FY2006-07	Total	3,216,895	3,408,331	191,436	5.95%	5.95%		5.95%
FY2007-08	Total	3,389,186	3,506,163	116,977	3.45%	3.45%		3.45%
FY2008-09	Total	3,531,746	3,357,468	(174,278)	-4.93%	4.93%	-4.93%	
FY2009-10	Total	3,446,675	3,204,680	(241,995)	-7.02%	7.02%	-7.02%	
FY2010-11	Total	3,421,459	3,499,655	78,196	2.29%	2.29%		2.29%
FY2011-12	Total	3,591,099	3,695,888	104,789	2.92%	2.92%		2.92%
FY2012-13	Total	3,767,066	4,052,358	285,292	7.57%	7.57%		7.57%
FY2013-14	Total	4,020,687	4,117,408	96,721	2.41%	2.41%		2.41%
FY2014-15	Total	4,220,500	4,305,100	84,600	2.00%	2.00%		2.00%
FY2015-16	Total	4,473,856	4,307,981	(165,875)	-3.71%	3.71%	-3.71%	
FY2016-17	Total	4,567,238	4,265,771	(301,467)	-6.60%	6.60%	-6.60%	
FY2017-18	Total	4,605,427	4,566,995	(38,432)	-0.83%	0.83%	-0.83%	
FY2018-19	Total	4,730,734	4,896,378	165,644	3.50%	3.50%		3.50%
FY2019-20	Total	4,929,107	4,939,763	10,656	0.22%	0.22%		0.22%
FY2020-21	Total	5,000,589	5,959,042	958,453	19.17%	19.17%		19.17%
FY2021-22	Total	4,879,610	6,348,995	1,469,385	30.11%	30.11%		30.11%
FY2022-23	Total	5,829,375	6,367,990	538,615	9.24%	9.24%		9.24%
FY2023-24	Total	6,437,126	7,155,811	718,685	11.16%	11.16%		11.16%
FY2024-25	Total	6,476,264	6,159,041	(317,223)	-4.90%	4.90%	-4.90%	
FY2025-26	Total	7,069,839	6,741,003	(328,836)	-4.65%	4.65%	-4.65%	
Average (FY85 to FY26, 42 yr)					2.78%	0.00%	-4.6%	7.0%
Standard Deviation (FY85 to FY26, 42 yr)					7.64%	5.66%	3.3%	6.6%
Median (FY85 to FY26, 42 yr)					1.50%	4.21%	-4.7%	3.8%

Additional tables showing net receipts for the four major tax types can be found in the appendix. Though each have their own respective patterns of error, generally there is congruence with the overall total net receipt pattern discussed in this section.

Section 2: Identify federal funding included in the state budget and any projected changes in the amount or value of federal funding or potential areas in which federal funding could be lost

Table 2 summarizes federal fund expenditures for FY2015-16 and FY2025-26 by functional categories and by agency/functional category description.

Each segment of the table is sorted from largest to smallest expenditure volume. By far, the largest function/agency is Human Resources/DHHS (Health and Human Services System), which primarily is comprised of Medicaid expenditures. Medicaid is a state federal partnership where the fund mix between the two is largely driven by the FMAP, which is the calculated ratio of cost share between a state and the federal government. The formula is driven by average personal income growth in a state in relation to other states, with the end result being that if a state's personal income performs better in relation to that of other states, then that state will see a decreasing cost share from the federal program. Though not the only driver of volatility, (medical cost factors, eligibility and participation rates are relevant), changes in the FMAP are very significant. Fortunately, means exist to project such changes in advance of finalizing budgets, thus adjustments can usually be readily made.

Actual federal fund spending by DHHS in FY2025-26 was about $1.5 billion higher than in the previous year. The increase was largely due to recently enacted bills at the federal and state level. The Legislature passed LB 1087 in 2024. LB 1087 (2024) created a provider tax for hospitals in the state to draw down additional federal funds Medicaid funds. The program received federal approval in June of 2025, and the approval was retroactive to January 1, 2024. In FY2025-26, six quarters of hospital assessment funding was processed, and over $800 million in federal funds flowed through the state to hospitals under the new program.

The One Big Beautiful Bill Act (OBBBA), signed into federal law in July of 2025, enacted programmatic changes to Medicaid and the Supplemental Nutrition Assistance Program (SNAP). Some of the programmatic changes have future operative dates, and the impact of changes in federal funding have not yet been experienced in Nebraska. One such change is the phase down of the maximum provider tax levels, such as Nebraska's hospital assessment. This change begins in federal fiscal year 2028. Changes impacting the eligibility and utilization of Medicaid and SNAP, such as additional work requirements, result in a reduction of both state and federal funds. Nebraska implemented the Medicaid work requirements in FY2025-26. Changes regarding SNAP, including the change in the federal match rate for administrative expenses, will lower FY2026-27 federal expenditures. The bill also included increased funding to the state pursuant to the Rural Health Opportunity Program, with the first allocation of funding partially expended in FY2025-26.

Higher Education/University segments are primarily Pell Grants and direct grants for research. K-12 Education/Dept. of Education are primarily pass-through programs, flowing to local school districts. During the COVID-19 public health emergency from 2020 to 2023, significant funds were also received at both K-12 and post-secondary levels pursuant to Elementary and Secondary School Emergency Relief

Funds, Higher Education Emergency Relief Funds, and other distributions in the CARES Act, Consolidated Appropriations Act of Dec. 2020, and American Rescue Plan Act (ARPA). Most of these funds were distributed to the educational institution directly. Disruptions in federal funding flows are felt at that level, and for both higher education and K-12 education, federal funds expended in FY2025-26 is lower than in the prior year.

Since 2020, COVID-19 relief funds pursuant to the CARES Act, Consolidated Appropriations Act of Dec. 2020, and American Rescue Plan Act (ARPA) increased the amount of federal funding into the state. Pursuant to the CARES Act, the state received $1.084 billion in Coronavirus Relief Fund monies, of which $1.083 billion was expended. The state also received $1.040 billion Coronavirus State Fiscal Recovery Funds pursuant to ARPA, of which over $1.0 billion is expended through the publication date of this report. The final deadline for expenditure of the ARPA funds in December 2026. These funds were largely targeted to industries that suffered harm as a result of the COVID-19 pandemic or costs directly associated with the pandemic. A portion of this funding offset state agency General Fund expenditures for incurred costs related to COVID and personnel expenses. Additional funding (excluding CRF or CSFRF monies) received pursuant to the federal COVID relief bills, including an enhanced FMAP during the federal public health emergency, also offset General Fund expenditures.

As a result of the COVID relief funds, federal expenditures in some years have been larger in certain agencies (e.g. DHHS, Education), or were expended in different agencies (e.g. Department of Economic Development or Military Dept.) as a result of the allocation of this funding. As the public health emergency ended in 2023, additional enhanced FMAP Medicaid funds, education funds for K-12 and higher education institutions, and other funds began to wind down.

Beyond the largest categories of human services and education, the magnitude of federal funds drops off significantly. Note that federal funds flowing to the Department of Transportation are classified as Cash Funds, since deposits are made to the state fund supporting roads operations and construction, thus, under current law the connection to the General Fund is much more remote than some other federal funding flows.

The degree of connection to the General Fund budget thus would seem to be greatest with the Human Resources classification of federal funds, primarily Medicaid, which accounts for more than half of all federal funds. For instance, after several years of an increasing FMAP by the federal government, in the upcoming federal fiscal years, the matching percentage for the state declined in federal FY25 and FY26, requiring additional General Funds to provide services. Under OBBBA, additional state funds are required due to the lower federal match rate for SNAP administrative costs, and may also be required as provider taxes are phased down in future years.

The remainder, except for some of the smaller categories, would seem to be somewhat more remotely connected. The fundamental question would then seem to be, in the event of federal fund reductions, to what extent is the state obligated or inclined to pick up the additional cost with state resources. In the case of Medicaid, the cost share structure supersedes that choice. In the case of other categories, past experience has shown that this decision becomes a case-by-case decision as a part of the annual budget process. Questions as to whether or not to adjust K-12 school aid via the school aid formula would have to be addressed; or policy decisions would have to be made whether an expanded role for state funded research or broadened involvement in student financial assistance in the higher education area, all in response to diminished federal financial support.

In terms of ongoing federal grant programs, the risk of reductions cannot be judged at this time. All will be subject to future actions by the federal government.

Table 2 Nebraska State Agencies – Federal Fund Expenditures by Functional Area

Function	Fund	FY2015-16	FY2025-26	% of Total FY2025-26	Avg Annual % Change
Human Resources	Federal	1,587,448,274	5,036,252,622	91.03%	12.24%
Higher Education	Federal	500,301,652	636,602,824	11.51%	2.44%
K-12 Education	Federal	373,866,209	482,507,713	8.72%	2.58%
Public Safety	Federal	63,337,192	150,085,648	2.71%	9.01%
Natural Resources	Federal	50,610,276	267,194,090	4.83%	18.10%
Gen Govt	Federal	25,239,467	127,410,422	2.30%	17.57%
Criminal Justice	Federal	16,505,106	47,686,075	0.86%	11.19%
Construction	Federal	3,525,800	36,841,422	0.67%	26.45%
Misc Education	Federal	1,444,875	1,630,786	0.03%	1.22%
State Total	Federal	2,622,278,851	6,786,211,602	100.00%	9.98%

Table 3 Nebraska State Agencies – Federal Fund Expenditures by Agency

Agency	Function	FY2015-16	FY2025-26	% of Total FY2025-26	Avg Annual % Change
HHS System	Human Resources	1,546,218,899	4,954,654,192	73.01%	12.35%
University of Nebraska	Higher Education	456,783,625	596,377,852	8.79%	2.70%
Education	K-12 Education	373,866,209	482,507,713	7.11%	2.58%
Water, Energy, & Environment	Natural Resources	37,738,183	250,768,457	3.70%	20.85%
Military Dept	Public Safety	63,337,192	150,085,648	2.21%	9.01%
Economic Development	Gen Govt	16,153,848	95,773,104	1.41%	19.48%
Labor	Human Resources	37,016,546	43,854,570	0.65%	1.71%
State Colleges	Higher Education	43,518,027	40,224,972	0.59%	-0.78%
Capital Construction	Construction	3,525,800	36,841,422	0.54%	26.45%
Veterans Affairs	Human Resources	0	32,877,304	0.48%	--
Correctional Services	Criminal Justice	1,152,083	18,192,673	0.27%	31.78%
State Patrol	Criminal Justice	7,186,311	15,712,898	0.23%	8.14%
Game & Parks	Natural Resources	7,881,179	12,231,783	0.18%	4.49%
Crime Commission	Criminal Justice	7,332,028	11,738,036	0.17%	4.82%
Agriculture	Natural Resources	3,870,472	4,193,850	0.06%	0.81%
Blind/Visually Impaired	Human Resources	4,212,829	4,866,556	0.07%	1.45%
Secretary of State	Gen Govt	100,000	1,033,516	0.02%	26.31%
Natural Resources	Natural Resources	1,120,442	0	0.00%	-100.00%
Supreme Court	Criminal Justice	834,684	2,042,468	0.03%	9.36%
Library Commission	Misc Education	1,444,875	1,630,786	0.02%	1.22%
State Treasurer	Gen Govt	1,687,582	1,482,773	0.02%	-1.29%
Other		7,298,037	29,121,029	0.43%	14.84%
State Total		2,622,278,851	6,786,211,602	100.00%	9.98%

Section 3. Identify current and projected balances of the Cash Reserve Fund

Table 4 depicts the projected flow by fiscal year for the Cash Reserve Fund as set forth in current law.

Table 5 itemizes fund balances and transaction summaries in and out of the fund since its inception. This table also includes the ending balance as a percent of revenue for the fiscal year shown. Note that the suggestion in the first section of this report that a guideline balance of 16% has only been approached in the last fifteen years.

Since inception and through the early years of the fund, the ending balance had been sustained at levels well below 10%. However, inspection of Table 1 clearly shows forecast errors in the early 90's were generally smaller, perhaps influencing the perceived need for an appropriate fund balance. As errors in estimates became larger in the early 2000's, cash reserve balances began to grow as a percentage of revenue, reaching 17.2% upon early stages of the "Great Recession" beginning around 2009. Since that time, there have been three subsequent periods of budget shortfall requiring drawdowns of the Cash Reserve Fund, in the aftermath of the "Great Recession," again in FY2017-18 and FY2018-19, and in FY2026-27, which all followed a period of negative forecast error. Balances as a percentage of revenue steadily increased since FY2018-19 to reach an all-time high of 25.7% of revenues in FY2022-23.

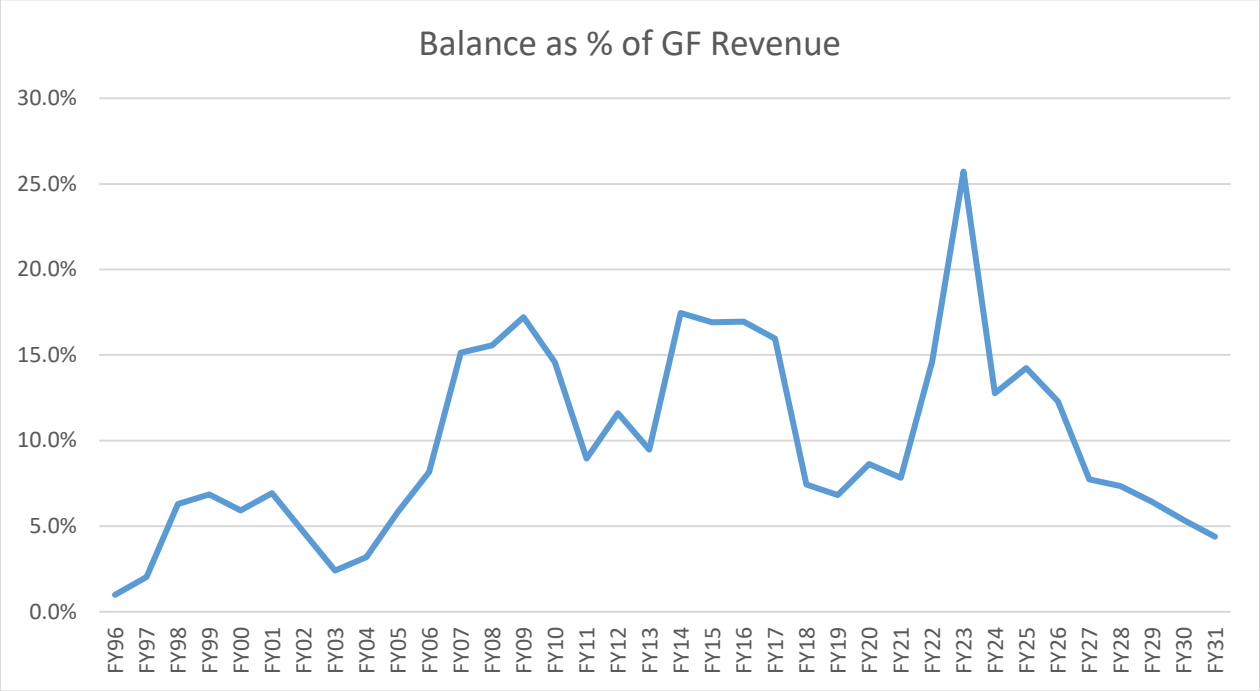
Due to a net usage of funds from the Cash Reserve Fund in FY2023-24 of $725 million, the balance was reduced to 12.8% of annual General Fund revenues, with an estimated balance of 12.3% of revenues for FY2025-26. Based on anticipated future transfers, the balance declines to 4.4% of estimated revenues in FY2030-31. Funds from the Cash Reserve Fund have largely been used for one-time projects or programs between FY2019-20 and FY2025-26. However, in FY2026-27, a transfer from the Cash Reserve Fund to the General Fund of $304 million is included in the enacted budget to supplement the General Fund due to a budget shortfall for the FY26/FY27 biennium.

Table 4 Cash Reserve Fund

CASH RESERVE FUND	FY2024-25	FY2025-26	FY2026-27	FY2027-28	FY2028-29	FY2029-30	FY2030-31
Beginning Balance	912,817,475	877,079,779	829,532,779	526,032,779	499,243,484	449,243,484	399,243,484
Excess of certified forecasts (line 3 in Status)	38,746,104	0	0	23,210,705	0	0	0
To/from Gen Fund (Enacted)	(4,000,000)	0	(304,000,000)	0	0	0	0
To Nebr Capital Construction Fund (NCCF)	(29,458,800)	(36,897,000)	0	0	0	0	0
To Gov Emerg Fund (LB 3 - 2024 Spec Session)	(25,000,000)	(10,000,000)	0	0	0	0	0
To Transformational Project Fund (LB1107-2020)	0	0	0	(50,000,000)	(50,000,000)	(50,000,000)	(50,000,000)
To Health and Human Services Cash	(3,500,000)	0	0	0	0	0	0
To Public Safety Comm Systems Revolving Fund	(2,425,000)	0	0	0	0	0	0
To State Insurance Fund	(5,000,000)	0	0	0	0	0	0
To Self-Insured Liability Fund	(100,000)	(150,000)	0	0	0	0	0
To Electrical Board Cash Fund	0	(500,000)	500,000	0	0	0	0
To Municipality Infrastructure Aid Fund (LB 600-2024)	(5,000,000)	0	0	0	0	0	0
Projected Unobligated Ending Balance	877,079,779	829,532,779	526,032,779	499,243,484	449,243,484	399,243,484	349,243,484
Ending Balance as % of Revenues	14.2%	12.3%	7.7%	7.3%	6.4%	5.4%	4.4%
Ending Balance as % of Expenditures	16.0%	15.1%	9.9%	9.2%	8.1%	7.0%	6.0%

Table 5 Cash Reserve Fund – Historical Balances

	Beginning Balance	Direct Deposit and Interest	Automatic Transfers (1)	Legislative Transfers (2)	Legislative Transfers (2)		Ending Balance	EB as % of revenues	EB as % of expend
					Gen Fund	Other Funds			
FY1983-84	0	37,046,760	na	0	0	0	37,046,760	4.7%	4.9%
FY1984-85	37,046,760	(1,472,551)	na	0	0	0	35,574,209	4.5%	4.4%
FY1985-86	35,574,209	227,855	na	(13,500,000)	(13,500,000)	0	22,302,064	2.7%	2.7%
FY1986-87	22,302,064	1,428,021	na	0	0	0	23,730,085	2.7%	2.8%
FY1987-88	23,730,085	1,654,844	na	(7,700,000)	0	(7,700,000)	17,684,929	1.7%	2.0%
FY1988-89	17,684,929	139,000	na	32,600,000	32,600,000	0	50,423,929	4.4%	5.1%
FY1989-90	50,423,929	113,114	na	(10,500,000)	(10,500,000)	0	40,037,043	3.5%	3.4%
FY1990-91	40,037,043	0	na	(8,100,000)	(8,100,000)	0	31,937,043	2.3%	2.3%
FY1991-92	31,937,043	0	na	(5,000,000)	(5,000,000)	0	26,937,043	1.8%	1.7%
FY1992-93	26,937,043	0	na	(9,500,000)	(9,500,000)	0	17,437,043	1.1%	1.1%
FY1993-94	17,437,043	0	3,063,462	7,250,000	7,250,000	0	27,750,505	1.7%	1.7%
FY1994-95	27,750,505	0	(8,518,701)	1,250,000	7,250,000	(6,000,000)	20,481,804	1.2%	1.2%
FY1995-96	20,481,804	0	(20,481,804)	18,189,565	18,189,565	0	18,189,565	1.0%	1.0%
FY1996-97	18,189,565	0	19,740,786	3,032,333	3,032,333	0	40,962,684	2.0%	2.2%
FY1997-98	40,962,684	0	91,621,018	0	0	0	132,583,702	6.3%	6.9%
FY1998-99	132,583,702	0	111,616,422	(98,500,000)	(96,500,000)	(2,000,000)	145,700,124	6.9%	6.5%
FY1999-00	145,700,124	0	20,959,305	(24,500,000)	3,500,000	(28,000,000)	142,159,429	5.9%	6.1%
FY2000-01	142,159,429	0	77,576,670	(49,500,000)	(24,500,000)	(25,000,000)	170,236,099	6.9%	6.9%
FY2001-02	170,236,099	0	0	(60,170,000)	(59,800,000)	(370,000)	110,066,099	4.7%	4.2%
FY2002-03	110,066,099	66,476,446	0	(87,400,000)	(87,400,000)	0	59,142,545	2.4%	2.3%
FY2003-04	59,142,545	59,463,461	0	(61,577,669)	(61,191,862)	(385,807)	87,028,337	3.2%	3.4%
FY2004-05	87,028,337	8,170,556	108,727,007	(26,758,180)	(26,000,000)	(758,180)	177,167,720	5.8%	6.5%
FY2005-06	177,167,720	0	261,715,297	(165,266,227)	0	(165,266,227)	273,616,790	8.2%	9.4%
FY2006-07	273,616,790	0	259,929,524	(17,458,523)	(15,674,107)	(1,784,416)	516,087,791	15.1%	16.5%
FY2007-08	516,087,791	0	191,436,773	(161,978,767)	(60,177,767)	(101,801,000)	545,545,797	15.6%	16.8%
FY2008-09	545,545,797	0	116,976,571	(84,330,505)	(54,990,505)	(29,340,000)	578,191,863	17.2%	17.4%
FY2009-10	578,191,863	0	0	(110,990,237)	(105,000,000)	(5,990,237)	467,201,626	14.6%	14.1%
FY2010-11	467,201,626	0	0	(154,000,000)	(154,000,000)	0	313,201,626	8.9%	9.4%
FY2011-12	313,201,626	8,422,528	145,155,092	(33,439,198)	(37,000,000)	3,560,802	428,878,372	11.6%	12.4%
FY2012-13	428,878,372	0	104,789,781	(154,008,427)	(78,000,000)	(76,008,427)	384,121,402	9.5%	10.7%
FY2013-14	384,121,402	0	285,292,610	49,651,294	49,400,000	251,294	719,065,306	17.5%	18.7%
FY2014-15	719,065,306	0	96,721,232	(87,951,112)	(67,701,112)	(20,250,000)	727,835,426	16.9%	18.1%
FY2015-16	727,835,426	0	84,599,532	(81,779,850)	0	(81,779,850)	730,655,108	17.0%	17.4%
FY2016-17	730,655,108	0	0	(50,000,000)	0	(50,000,000)	680,655,108	16.0%	15.7%
FY2017-18	680,655,108	265,729	0	(340,930,772)	(225,000,000)	(115,930,772)	339,990,065	7.4%	7.8%
FY2018-19	339,990,065	0	61,995,773	(68,436,714)	(48,000,000)	(20,436,714)	333,549,124	6.8%	7.6%
FY2019-20	333,549,124	0	176,378,178	(83,619,600)	0	(83,619,600)	426,307,702	8.6%	9.2%
FY2020-21	426,307,702	0	10,655,528	30,000,972	(30,000,000)	60,000,972	466,964,202	7.8%	10.3%
FY2021-22	466,964,202	0	535,259,366	(74,700,000)	50,000,000	(124,700,000)	927,523,568	14.6%	19.9%
FY2022-23	927,523,568	0	1,287,998,995	(577,670,000)	40,000,000	(617,670,000)	1,637,852,563	25.7%	31.8%
FY2023-24	1,637,852,563	0	2,982,492	(728,017,580)	440,000,000	(1,168,017,580)	912,817,475	12.8%	17.2%
FY2024-25	912,817,475	0	38,746,104	(74,483,800)	(4,000,000)	(70,483,800)	877,079,779	14.2%	16.0%
FY2025-26	877,079,779	0	0	(47,547,000)	0	(47,547,000)	829,532,779	12.3%	15.1%
FY2026-27 Est	829,532,779	0	0	(303,500,000)	(304,000,000)	500,000	526,032,779	7.7%	9.9%
FY2027-28 Est	526,032,779	0	23,210,705	(50,000,000)	0	(50,000,000)	499,243,484	7.3%	9.2%
FY2028-29 Est	499,243,484	0	0	(50,000,000)	0	(50,000,000)	449,243,484	6.4%	8.1%
FY2029-30 Est	449,243,484	0	0	(50,000,000)	0	(50,000,000)	399,243,484	5.4%	7.0%
FY2030-31 Est	399,243,484	0	0	(50,000,000)	0	(50,000,000)	349,243,484	4.4%	5.9%



Section 4. Analyze the adequacy of current and projected balances of the Cash Reserve Fund in relation to the tax revenue volatility and the risk of a reduction in the amount or value of federal funding or potential areas in which federal funding could be lost

Section 1 of this report identifies a level equivalent to about 12% to 16% of revenue in the fiscal year as a Cash Reserve Fund balance as coverage for the next cyclical downturn. This safety net would be intended to mitigate the need for budget reductions or revenue increases to reach short term balance.

During the 2009 regular, special, and 2010 regular session, $259 million in cash reserve transfers were used to help balance General Fund budgets through that time period. When those transfers were authorized, the Cash Reserve Fund had a balance of about 15.6% of General Fund revenue, which was drawn down to approximately 9% in the following fiscal year. To replenish General Fund balances, spending reductions and one-time cash fund transfers during the 2009-2010 sessions played a significant role, as did almost $600 million of federal assistance (that came in the form of general stabilization, education funding assistance, FMAP and child care enhancements) that directly offset General Fund costs.

Similarly, in FY2017-18 and FY2018-19, a budget shortfall due to lower than projected General Fund revenues led to transfers from the Cash Reserve Fund of $273 million in that biennium. The resulting balance in the Cash Reserve Fund at the end of the biennium was 6.8% of General Fund revenues, its lowest since FY2004-05. Again, spending reductions and one-time cash fund transfers contributed to balancing the General Fund along with the authorized Cash Reserve Fund transfers. In the fiscal year prior, FY2016-17, the balance in the Cash Reserve Fund was equivalent to 16% of General Fund revenue that year, indicating that this level of reserve was adequate to supplement the General Fund for the two-year budget shortfall, even without the additional federal assistance seen in other time periods.

Between 2020 and 2023, significant federal funds flowed into the state to address the disruption of COVID-19 on the state's economy. These funds were targeted to offset the economic and health care costs of the pandemic. See Section 2 for discussion. During this time period, transfers out of the Cash Reserve Fund were $124.7 million in FY2021-22, $617.67 million in FY2022-23, $1.168 billion in FY2023-24. During that same three-year time period, in addition to the automatic transfers (totaling $1.83 billion), $530 million was legislatively transferred into the Cash Reserve Fund from the General Fund due to unprecedented revenue growth. Unlike during the "Great Recession," the transfers out were largely for one-time items and not for the purposes of balancing the General Fund budget. General Fund revenue was sufficient to meet budgetary obligations during that time period.

In FY2024-25 and FY2025-26, even with negative forecast error, usage of the Cash Reserve Fund was limited to funds for one-time items. Transfers out of the fund in FY2024-25 were $74.5 million and in FY2025-26, $47.5 million. However, as a General Fund shortfall existed for the FY26/FY27 biennium, the enacted budget included transferring $304 million to supplement the General Fund in FY2026-27. Along with other enacted transfers, the FY2026-27 projected ending balance is 7.7% of revenues.

Following the second straight year of negative forecast error, the Legislature is projected to begin budgeting for the upcoming FY28/FY29 biennium facing an even larger General Fund budget shortfall than was experienced in the current biennium. If federal assistance seems unlikely during future revenue shortfalls and/or recessions, then the current Cash Reserve Fund balance of 7.7% of revenue is insufficient to address the magnitude of the projected shortfall. Additional policy changes will be necessary to address the budget based upon current revenue projections.

Obviously, what cannot be determined is the depth and duration of revenue weakness that is unable to sustain a current law budget, which also will influence what may be adequate. Thereafter, the size of a draw down to help manage budget imbalances becomes discretionary to be judged along with other options to return to budget balance.

There appears to be no mechanism to reasonably anticipate future federal funding decisions that may alter inflows to the state, or anticipating a state response to such speculation, making any expectation of quantifying additional Cash Reserve fund balances as a safety net impractical.

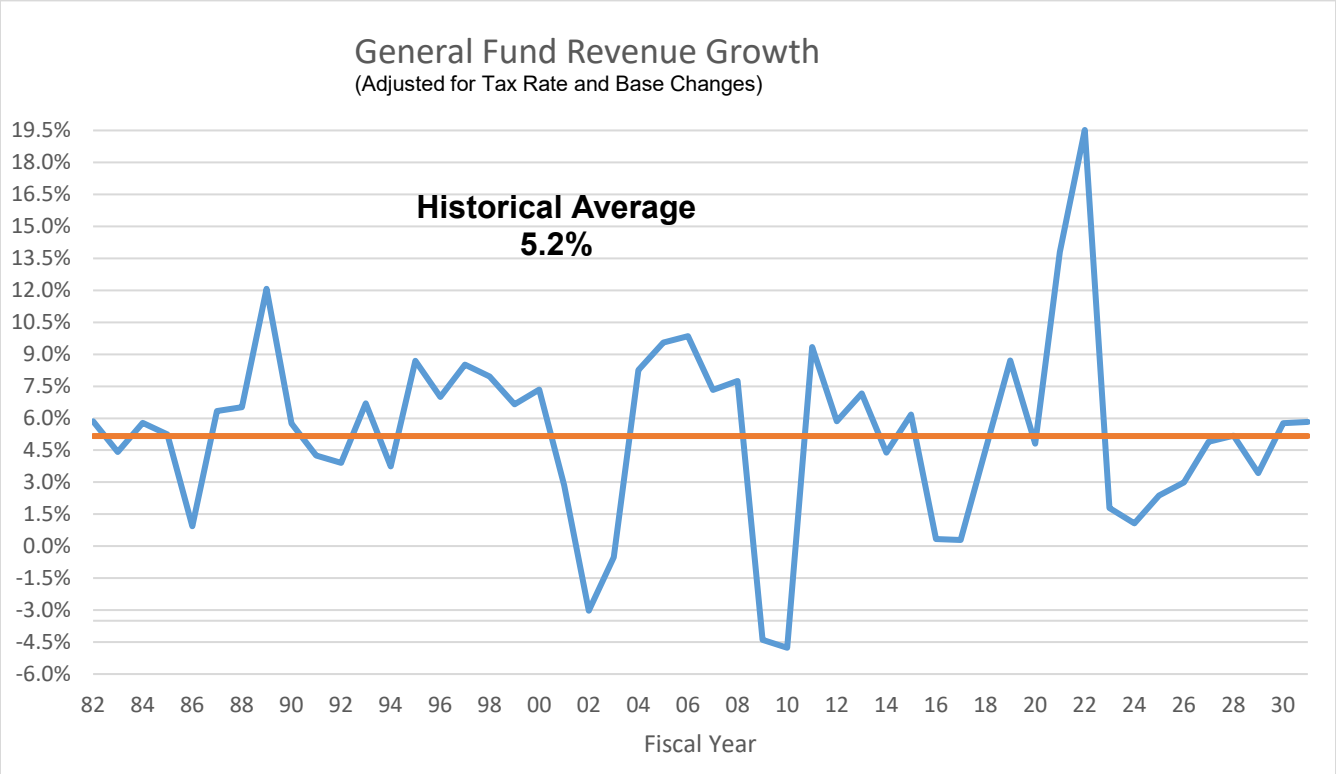
Section 5. Include revenue projections for the ensuing two fiscal years included in the impending biennial budget

Current official General Fund forecasts have been set for FY2026-27, FY2027-28, and FY2028-29.

The revenue forecasts shown in Table 6 for the General Fund are the most current arrived at by the Nebraska Economic Forecasting Advisory Board on October 30, 2026. Revisions to the current and ensuing two fiscal years will occur in February and April 2027. After the end of this fiscal year the ensuing two fiscal years will be revised again in October 2027 and February 2028. After conclusion of FY2027-28, the last fiscal year will be revised again in October 2028, and February and April 2029. For context, a graph of prior year revenue growth and estimates for the current forecasts is included. Note that all percentage growth rates are adjusted for tax rate and base changes. This is a visual reminder of the cyclical nature of General Fund revenue growth over recent years.

Table 6 General Fund Revenue Forecasts

	NEFAB FY2026-27	NEFAB FY2027-28	NEFAB FY2028-29	LFO Prelim FY2029-30	LFO Prelim FY2030-31
Actual/Forecast					
Sales and Use Tax	2,820,000,000	2,875,000,000	3,050,000,000	3,225,000,000	3,450,000,000
Individual Income Tax	2,840,000,000	2,950,000,000	2,975,000,000	3,245,000,000	3,495,000,000
Corporate Income Tax	680,000,000	675,000,000	685,000,000	730,000,000	780,000,000
Miscellaneous receipts	465,000,000	295,000,000	275,000,000	240,000,000	250,000,000
Total General Fund Revenues	6,805,000,000	6,795,000,000	6,985,000,000	7,440,000,000	7,975,000,000
Adjusted Growth					
Sales and Use Tax	0.7%	4.4%	2.4%	5.5%	6.7%
Individual Income Tax	10.5%	5.4%	2.9%	5.7%	5.0%
Corporate Income Tax	1.1%	8.3%	11.4%	7.4%	7.7%
Miscellaneous receipts	-26.9%	4.1%	-3.9%	5.3%	5.2%
Total General Fund Revenues	4.9%	5.2%	3.1%	5.8%	5.8%
Two Yr Average	3.9%	--	4.2%	--	5.8%
Five Yr Average	2.6%	--	3.7%	--	5.0%



Section 6. Contain any other recommendations that the Legislative Fiscal Analyst determines are necessary.

No recommendations at this time.

APPENDIX

Table 7 Actual vs. Projected Revenues – Sales Tax (millions of dollars)

Fiscal Year		Forecast 1 Yr Prior	Actual Receipts	Variance from Forecast Dollar	Pct	Abs Value of Error	Below Forecast	Above Forecast
FY1984-85	Sales	dna	300,534					
FY1985-86	Sales	dna	310,391					
FY1986-87	Sales	353,540	345,158	(8,382)	-2.37%	2.37%	-2.37%	
FY1987-88	Sales	370,000	393,149	23,149	6.26%	6.26%		6.26%
FY1988-89	Sales	400,000	430,078	30,078	7.52%	7.52%		7.52%
FY1989-90	Sales	449,981	444,231	(5,750)	-1.28%	1.28%	-1.28%	
FY1990-91	Sales	563,000	547,373	(15,627)	-2.78%	2.78%	-2.78%	
FY1991-92	Sales	605,305	592,442	(12,863)	-2.13%	2.13%	-2.13%	
FY1992-93	Sales	607,616	586,355	(21,261)	-3.50%	3.50%	-3.50%	
FY1993-94	Sales	666,458	648,847	(17,611)	-2.64%	2.64%	-2.64%	
FY1994-95	Sales	675,270	683,852	8,582	1.27%	1.27%		1.27%
FY1995-96	Sales	731,522	711,002	(20,520)	-2.81%	2.81%	-2.81%	
FY1996-97	Sales	756,697	755,908	(789)	-0.10%	0.10%	-0.10%	
FY1997-98	Sales	792,903	803,805	10,902	1.37%	1.37%		1.37%
FY1998-99	Sales	764,009	744,651	(19,358)	-2.53%	2.53%	-2.53%	
FY1999-00	Sales	887,759	900,427	12,668	1.43%	1.43%		1.43%
FY2000-01	Sales	940,400	905,023	(35,377)	-3.76%	3.76%	-3.76%	
FY2001-02	Sales	963,000	918,890	(44,110)	-4.58%	4.58%	-4.58%	
FY2002-03	Sales	1,043,145	1,028,931	(14,214)	-1.36%	1.36%	-1.36%	
FY2003-04	Sales	1,142,146	1,114,374	(27,772)	-2.43%	2.43%	-2.43%	
FY2004-05	Sales	1,172,491	1,231,011	58,520	4.99%	4.99%		4.99%
FY2005-06	Sales	1,251,982	1,263,679	11,697	0.93%	0.93%		0.93%
FY2006-07	Sales	1,266,446	1,303,826	37,380	2.95%	2.95%		2.95%
FY2007-08	Sales	1,293,053	1,321,867	28,814	2.23%	2.23%		2.23%
FY2008-09	Sales	1,358,932	1,326,161	(32,771)	-2.41%	2.41%	-2.41%	
FY2009-10	Sales	1,343,559	1,289,797	(53,762)	-4.00%	4.00%	-4.00%	
FY2010-11	Sales	1,365,000	1,372,784	7,784	0.57%	0.57%		0.57%
FY2011-12	Sales	1,424,967	1,436,909	11,942	0.84%	0.84%		0.84%
FY2012-13	Sales	1,479,906	1,474,943	(4,963)	-0.34%	0.34%	-0.34%	
FY2013-14	Sales	1,499,996	1,524,794	24,798	1.65%	1.65%		1.65%
FY2014-15	Sales	1,536,422	1,535,420	(1,002)	-0.07%	0.07%	-0.07%	
FY2015-16	Sales	1,614,273	1,528,023	(86,250)	-5.34%	5.34%	-5.34%	
FY2016-17	Sales	1,607,111	1,548,388	(58,723)	-3.65%	3.65%	-3.65%	
FY2017-18	Sales	1,625,000	1,602,737	(22,263)	-1.37%	1.37%	-1.37%	
FY2018-19	Sales	1,685,000	1,658,107	(26,893)	-1.60%	1.60%	-1.60%	
FY2019-20	Sales	1,750,000	1,848,236	98,236	5.61%	5.61%		5.61%
FY2020-21	Sales	1,765,000	2,009,748	244,748	13.87%	13.87%		13.87%
FY2021-22	Sales	1,992,687	2,133,152	140,465	7.05%	7.05%		7.05%
FY2022-23	Sales	2,348,598	2,335,900	(12,698)	-0.54%	0.54%	-0.54%	
FY2023-24	Sales	2,494,986	2,458,834	(36,152)	-1.45%	1.45%	-1.45%	
FY2024-25	Sales	2,598,904	2,516,744	(82,160)	-3.16%	3.16%	-3.16%	
FY2025-26	Sales	2,604,938	2,866,926	261,988	10.06%	10.06%		10.06%
Average (FY96 to FY26, 30 yr)					0.82%	0.00%	-2.3%	4.7%
Standard Deviation (FY96 to FY26, 30 yr)					4.23%	2.94%	1.53%	3.93%
Median (FY96 to FY26, 30 yr)					-0.34%	2.41%	-2.42%	2.23%

Table 8 Actual vs. Projected Revenues – Individual Income Tax (millions of dollars)

Fiscal Year		Forecast 1 Yr Prior	Actual Receipts	Variance from Forecast Dollar	Pct	Abs Value of Error	Below Forecast	Above Forecast
FY1984-85	Ind	dna	324,586					
FY1985-86	Ind	dna	357,181					
FY1986-87	Ind	340,000	365,762	25,762	7.58%	7.58%		7.58%
FY1987-88	Ind	380,000	437,742	57,742	15.20%	15.20%		15.20%
FY1988-89	Ind	417,773	479,732	61,959	14.83%	14.83%		14.83%
FY1989-90	Ind	467,812	501,134	33,322	7.12%	7.12%		7.12%
FY1990-91	Ind	590,900	609,431	18,531	3.14%	3.14%		3.14%
FY1991-92	Ind	652,878	658,634	5,756	0.88%	0.88%		0.88%
FY1992-93	Ind	688,000	690,351	2,351	0.34%	0.34%		0.34%
FY1993-94	Ind	738,000	722,361	(15,639)	-2.12%	2.12%	-2.12%	
FY1994-95	Ind	783,000	746,718	(36,282)	-4.63%	4.63%	-4.63%	
FY1995-96	Ind	825,189	846,547	21,358	2.59%	2.59%		2.59%
FY1996-97	Ind	863,000	944,117	81,117	9.40%	9.40%		9.40%
FY1997-98	Ind	895,272	981,644	86,372	9.65%	9.65%		9.65%
FY1998-99	Ind	1,028,363	1,078,523	50,160	4.88%	4.88%		4.88%
FY1999-00	Ind	1,130,000	1,180,363	50,363	4.46%	4.46%		4.46%
FY2000-01	Ind	1,229,295	1,233,364	4,069	0.33%	0.33%		0.33%
FY2001-02	Ind	1,339,309	1,159,811	(179,498)	-13.40%	13.40%	-13.40%	
FY2002-03	Ind	1,338,700	1,129,422	(209,278)	-15.63%	15.63%	-15.63%	
FY2003-04	Ind	1,307,056	1,249,890	(57,166)	-4.37%	4.37%	-4.37%	
FY2004-05	Ind	1,262,599	1,400,077	137,478	10.89%	10.89%		10.89%
FY2005-06	Ind	1,439,950	1,545,338	105,388	7.32%	7.32%		7.32%
FY2006-07	Ind	1,517,377	1,650,895	133,518	8.80%	8.80%		8.80%
FY2007-08	Ind	1,630,350	1,726,145	95,795	5.88%	5.88%		5.88%
FY2008-09	Ind	1,750,074	1,600,418	(149,656)	-8.55%	8.55%	-8.55%	
FY2009-10	Ind	1,675,000	1,514,830	(160,170)	-9.56%	9.56%	-9.56%	
FY2010-11	Ind	1,630,000	1,735,209	105,209	6.45%	6.45%		6.45%
FY2011-12	Ind	1,758,137	1,822,884	64,747	3.68%	3.68%		3.68%
FY2012-13	Ind	1,862,137	2,101,912	239,775	12.88%	12.88%		12.88%
FY2013-14	Ind	2,039,395	2,060,759	21,364	1.05%	1.05%		1.05%
FY2014-15	Ind	2,207,703	2,205,464	(2,239)	-0.10%	0.10%	-0.10%	
FY2015-16	Ind	2,298,471	2,221,089	(77,382)	-3.37%	3.37%	-3.37%	
FY2016-17	Ind	2,427,203	2,224,840	(202,363)	-8.34%	8.34%	-8.34%	
FY2017-18	Ind	2,425,000	2,360,596	(64,404)	-2.66%	2.66%	-2.66%	
FY2018-19	Ind	2,471,000	2,545,680	74,680	3.02%	3.02%		3.02%
FY2019-20	Ind	2,625,100	2,445,647	(179,453)	-6.84%	6.84%	-6.84%	
FY2020-21	Ind	2,606,536	3,130,599	524,063	20.11%	20.11%		20.11%
FY2021-22	Ind	2,314,067	3,243,238	929,171	40.15%	40.15%		40.15%
FY2022-23	Ind	2,795,159	3,005,952	210,793	7.54%	7.54%		7.54%
FY2023-24	Ind	3,065,283	2,479,054	(586,229)	-19.12%	19.12%	-19.12%	
FY2024-25	Ind	2,738,226	2,179,934	(558,292)	-20.39%	20.39%	-20.39%	
FY2025-26	Ind	3,055,963	2,635,685	(420,278)	-13.75%	13.75%	-13.75%	
Average (FY96 to FY26, 30 yr)					0.15%	0.00%	-11.2%	9.1%
Standard Deviation (FY96 to FY26, 30 yr)					12.05%	7.85%	6.1%	8.9%
Median (FY96 to FY26, 30 yr)					2.59%	7.54%	-8.6%	6.9%

Table 9 Actual vs. Projected Revenues – Corporate Income Tax (millions of dollars)

Fiscal Year		Forecast 1 Yr Prior	Actual Receipts	Variance from Forecast Dollar	Pct	Abs Value of Error	Below Forecast	Above Forecast
FY1984-85	Corp	dna	48,959					
FY1985-86	Corp	dna	54,559					
FY1986-87	Corp	72,000	67,424	(4,576)	-6.36%	6.36%	-6.36%	
FY1987-88	Corp	65,000	73,781	8,781	13.51%	13.51%		13.51%
FY1988-89	Corp	50,000	80,624	30,624	61.25%	61.25%		61.25%
FY1989-90	Corp	70,000	71,948	1,948	2.78%	2.78%		2.78%
FY1990-91	Corp	54,800	81,948	27,148	49.54%	49.54%		49.54%
FY1991-92	Corp	100,380	103,617	3,237	3.22%	3.22%		3.22%
FY1992-93	Corp	105,000	102,755	(2,245)	-2.14%	2.14%	-2.14%	
FY1993-94	Corp	110,000	113,143	3,143	2.86%	2.86%		2.86%
FY1994-95	Corp	118,000	123,924	5,924	5.02%	5.02%		5.02%
FY1995-96	Corp	120,422	126,801	6,379	5.30%	5.30%		5.30%
FY1996-97	Corp	131,000	137,338	6,338	4.84%	4.84%		4.84%
FY1997-98	Corp	133,230	142,150	8,920	6.70%	6.70%		6.70%
FY1998-99	Corp	138,000	135,034	(2,966)	-2.15%	2.15%	-2.15%	
FY1999-00	Corp	143,000	140,022	(2,978)	-2.08%	2.08%	-2.08%	
FY2000-01	Corp	140,952	138,040	(2,912)	-2.07%	2.07%	-2.07%	
FY2001-02	Corp	148,913	107,628	(41,285)	-27.72%	27.72%	-27.72%	
FY2002-03	Corp	133,700	111,597	(22,103)	-16.53%	16.53%	-16.53%	
FY2003-04	Corp	120,008	167,429	47,421	39.52%	39.52%		39.52%
FY2004-05	Corp	149,271	198,380	49,109	32.90%	32.90%		32.90%
FY2005-06	Corp	185,950	262,295	76,345	41.06%	41.06%		41.06%
FY2006-07	Corp	218,677	213,027	(5,650)	-2.58%	2.58%	-2.58%	
FY2007-08	Corp	241,200	232,852	(8,348)	-3.46%	3.46%	-3.46%	
FY2008-09	Corp	214,490	198,484	(16,006)	-7.46%	7.46%	-7.46%	
FY2009-10	Corp	169,814	154,332	(15,482)	-9.12%	9.12%	-9.12%	
FY2010-11	Corp	185,000	154,945	(30,055)	-16.25%	16.25%	-16.25%	
FY2011-12	Corp	200,000	234,266	34,266	17.13%	17.13%		17.13%
FY2012-13	Corp	230,000	275,563	45,563	19.81%	19.81%		19.81%
FY2013-14	Corp	265,000	306,591	41,591	15.69%	15.69%		15.69%
FY2014-15	Corp	263,000	346,477	83,477	31.74%	31.74%		31.74%
FY2015-16	Corp	329,124	307,670	(21,454)	-6.52%	6.52%	-6.52%	
FY2016-17	Corp	310,000	264,440	(45,560)	-14.70%	14.70%	-14.70%	
FY2017-18	Corp	265,000	313,689	48,689	18.37%	18.37%		18.37%
FY2018-19	Corp	308,000	423,738	115,738	37.58%	37.58%		37.58%
FY2019-20	Corp	325,000	391,164	66,164	20.36%	20.36%		20.36%
FY2020-21	Corp	408,393	571,220	162,827	39.87%	39.87%		39.87%
FY2021-22	Corp	350,229	715,153	364,924	104.20%	104.20%		104.20%
FY2022-23	Corp	462,300	692,965	230,665	49.90%	49.90%		49.90%
FY2023-24	Corp	567,874	1,724,908	1,157,034	203.75%	203.75%		203.75%
FY2024-25	Corp	796,115	1,075,085	278,970	35.04%	35.04%		35.04%
FY2025-26	Corp	901,988	719,737	(182,251)	-20.21%	20.21%	-20.21%	
Average (FY96 to FY26, 30 yr)					28.4%	24.9%	-13.8%	34.8%
Standard Deviation (FY96 to FY26, 30 yr)					42.9%	38.0%	7.4%	17.0%
Median (FY96 to FY26, 30 yr)					6.7%	17.1%	-6.4%	17.8%

Table 10 Actual vs. Projected Revenues – Miscellaneous Receipts (millions of dollars)

Fiscal Year		Forecast 1 Yr Prior	Actual Receipts	Variance from Forecast Dollar	Variance from Forecast Pct	Abs Value of Error	Below Forecast	Above Forecast
FY1984-85	Misc	dna	109,272					
FY1985-86	Misc	dna	112,105					
FY1986-87	Misc	112,581	108,010	(4,571)	-4.06%	4.06%	-4.06%	
FY1987-88	Misc	109,000	111,426	2,426	2.23%	2.23%		2.23%
FY1988-89	Misc	120,664	143,013	22,349	18.52%	18.52%		18.52%
FY1989-90	Misc	123,090	135,396	12,306	10.00%	10.00%		10.00%
FY1990-91	Misc	125,900	128,326	2,426	1.93%	1.93%		1.93%
FY1991-92	Misc	134,664	135,716	1,052	0.78%	0.78%		0.78%
FY1992-93	Misc	137,371	145,201	7,830	5.70%	5.70%		5.70%
FY1993-94	Misc	148,090	169,402	21,312	14.39%	14.39%		14.39%
FY1994-95	Misc	153,631	150,996	(2,635)	-1.72%	1.72%	-1.72%	
FY1995-96	Misc	157,156	152,381	(4,775)	-3.04%	3.04%	-3.04%	
FY1996-97	Misc	167,287	172,241	4,954	2.96%	2.96%		2.96%
FY1997-98	Misc	172,430	177,852	5,422	3.14%	3.14%		3.14%
FY1998-99	Misc	172,538	165,629	(6,909)	-4.00%	4.00%	-4.00%	
FY1999-00	Misc	165,589	183,112	17,523	10.58%	10.58%		10.58%
FY2000-01	Misc	170,054	180,435	10,381	6.10%	6.10%		6.10%
FY2001-02	Misc	180,626	179,180	(1,446)	-0.80%	0.80%	-0.80%	
FY2002-03	Misc	207,832	186,450	(21,382)	-10.29%	10.29%	-10.29%	
FY2003-04	Misc	162,765	187,033	24,268	14.91%	14.91%		14.91%
FY2004-05	Misc	191,118	207,726	16,608	8.69%	8.69%		8.69%
FY2005-06	Misc	214,376	280,875	66,499	31.02%	31.02%		31.02%
FY2006-07	Misc	214,395	240,583	26,188	12.21%	12.21%		12.21%
FY2007-08	Misc	224,583	225,298	715	0.32%	0.32%		0.32%
FY2008-09	Misc	208,250	232,405	24,155	11.60%	11.60%		11.60%
FY2009-10	Misc	258,302	245,721	(12,582)	-4.87%	4.87%	-4.87%	
FY2010-11	Misc	241,459	236,717	(4,742)	-1.96%	1.96%	-1.96%	
FY2011-12	Misc	207,995	201,829	(6,166)	-2.96%	2.96%	-2.96%	
FY2012-13	Misc	195,023	199,941	4,918	2.52%	2.52%		2.52%
FY2013-14	Misc	216,296	225,265	8,969	4.15%	4.15%		4.15%
FY2014-15	Misc	213,375	217,739	4,364	2.05%	2.05%		2.05%
FY2015-16	Misc	231,988	251,199	19,211	8.28%	8.28%		8.28%
FY2016-17	Misc	222,924	228,103	5,179	2.32%	2.32%		2.32%
FY2017-18	Misc	290,427	289,973	(454)	-0.16%	0.16%	-0.16%	
FY2018-19	Misc	266,734	268,853	2,120	0.79%	0.79%		0.79%
FY2019-20	Misc	229,007	254,716	25,709	11.23%	11.23%		11.23%
FY2020-21	Misc	220,660	247,475	26,815	12.15%	12.15%		12.15%
FY2021-22	Misc	222,627	257,452	34,825	15.64%	15.64%		15.64%
FY2022-23	Misc	223,318	333,173	109,855	49.19%	49.19%		49.19%
FY2023-24	Misc	308,983	493,014	184,031	59.56%	59.56%		59.56%
FY2024-25	Misc	343,019	387,278	44,259	12.90%	12.90%		12.90%
FY2025-26	Misc	506,950	518,655	11,705	2.31%	2.31%		2.31%
Average (FY96 to FY26, 30 yr)					8.9%	10.1%	-3.5%	11.4%
Standard Deviation (FY96 to FY26, 30 yr)					14.5%	13.3%	2.9%	14.7%
Median (FY96 to FY26, 30 yr)					3.1%	4.9%	-3.0%	8.7%