

ONE HUNDRED NINTH LEGISLATURE - SECOND SESSION - 2026
COMMITTEE STATEMENT
LB1160

Hearing Date: Monday February 09, 2026
Committee On: Banking, Commerce and Insurance
Introducer: Hallstrom
One Liner: Change provisions relating to civil procedure, decedents' estates, trusts, and inheritance taxes

Roll Call Vote - Final Committee Action:
Advanced to General File

Vote Results:

Aye: 8 Senators Jacobson, Bostar, Dungan, Hallstrom, Hardin, Riepe, von Gillern, Wordekemper
Nay:
Absent:
Present Not Voting:

Testimony:

Proponents:

Senator Bob Hallstrom
Tim Hruza

Representing:

Opening Presenter
Nebraska State Bar Association

Opponents:

Representing:

Neutral:

Representing:

* ADA Accommodation Written Testimony

Summary of purpose and/or changes:

LB 1160 is a modernization of Nebraska's estate and trust laws designed to synchronize the Uniform Probate Code with the Uniform Trust Code while strengthening the rights of surviving families. The bill creates a more predictable legal environment by applying standard civil litigation rules to probate disputes and ensuring that trust interpretations mirror the established rules for wills, including the requirement for written proof of contracts and the unenforceability of "no-contest" clauses when probable cause for a challenge exists. Notably, the legislation introduces the "negative will" concept to guarantee that disinherited heirs remain excluded even in cases of forgotten property, and it significantly enhances the financial safety net for surviving spouses and children by increasing statutory intestate shares and expanding homestead and exempt property allowances for decedent's dying on or after January 1, 2027.

Section-by-Section Summary:

Section 1: Amends Neb. Rev. Stat. § 25-2701 to create a procedural safety net that integrates standard civil litigation rules into probate proceedings, ensuring that whenever the Uniform Probate Code is silent, the general rules of civil procedure fill the gaps. By explicitly including the rules for vacating orders and appellate review, it removes legal



ambiguity, providing litigants with a clear, predictable pathway to challenge a judge's decision or appeal a ruling to a higher court. Ultimately, this change synchronizes probate cases with the rest of the court system, preventing "procedural limbo" and ensuring that estates are handled with the same due process standards as any other civil lawsuit.

Section 2: Amends Neb. Rev. Stat. § 30-2301 of the Nebraska Probate Code to introduce the legal concept of a "negative will," granting a person the power to explicitly bar specific individuals or groups from inheriting any part of their estate, including property not specifically mentioned in the will. Under traditional probate rules, if a will failed to distribute everything (known as "partial intestacy"), the leftover property would automatically pass to legal heirs even if the deceased intended to exclude them; however, this new language mandates that an excluded person is treated as if they had disclaimed their share (legally "stepping aside" so the property passes to the next person in line). By prioritizing the decedent's written intent over default bloodline rules, this amendment ensures that a "disinheritance" clause actually works as intended, even for property the deceased might have forgotten to list or include in the will.

Section 3: Amends Neb. Rev. Stat. § 30-2302 of the Nebraska Probate Code to increase the intestate share of the surviving spouse.

Section 4: Amends Neb. Rev. Stat. § 30-2322 of the Nebraska Probate Code to add a third category of homestead exemption for surviving spouses of decedents that die on or after January 1, 2027.

Section 5: Amends Neb. Rev. Stat. § 30-2323 of the Nebraska Probate Code to add a third category of exempt property for surviving spouses of decedents that die on or after January 1, 2027.

Section 6: Amends Neb. Rev. Stat. § 30-2325 of the Nebraska Probate Code to add a third category of family allowance for surviving spouses and minor children of decedents that die on or after January 1, 2027.

Section 7: Amends Neb. Rev. Stat. § 30-3801 to expand the Nebraska Uniform Trust Code to also include new sections 9 through 11 of LB 1160.

Section 8: Amends Neb. Rev. Stat. § 30-3803 of the Nebraska Uniform Trust Code to redefine the meaning of "terms of a trust" to also include documents other than the trust document itself.

Section 9: Adds a new section of law to the Nebraska Uniform Trust Code to prevent heirs or other parties from claiming that the deceased person made a "secret" or "oral" promise to never change their trust. It aligns trust law with the existing Nebraska law for wills (Neb. Rev. Stat. § 30-2351), creating a uniform standard for all estate planning.

Section 10: Adds a new section of law to the Nebraska Uniform Trust Code stating that a provision in a trust purporting to penalize any interested person for contesting the trust or instituting other proceedings relating to the trust is unenforceable if probable cause exists for instituting proceedings.

Section 11: Adds a new section of law to the Nebraska Uniform Trust Code stating that the rules of construction that apply in Nebraska to the interpretation and disposition of property by will shall also apply as appropriate to the interpretation of the terms of a trust and the disposition of the trust property. This brings the Nebraska Uniform Trust Code into conformity with the Nebraska Probate Code.

Section 12: Amends Neb. Rev. Stat. § 30-38,103 of the Nebraska Uniform Trust Code to allow a certification of trust to also confirm any information necessary to establish a person's ownership of a homestead for purposes of obtaining a homestead exemption.



Section 13: Amends Neb. Rev. Stat. § 77-2004 to clean up the layout of the statute. It also adds lineal descendants of persons to whom the deceased for not less than ten years prior to death stood in the acknowledged relation of a parent to the list of those who pay 1% inheritance tax.

Section 14: Amends Neb. Rev. Stat. § 77-3503 to redefine "owner" for homestead exemption purposes to allow a certification of trust to confirm the information necessary under the statute (Harmonizing section to section 12 above).

Section 15: Repealer

Mike Jacobson, Chairperson

