

ENGROSSED LEGISLATIVE BILL 1048

Introduced by Arch, 14; at the request of the Governor.

A BILL FOR AN ACT relating to government; to amend sections 44-1412, 48-683, 54-2428, 71-1131, 77-383, 77-385, 77-27,238, 77-6307, 81-125, 81-1354.01, 81-1378, 81-1504.01, 81-1505.04, 81-1607.01, 83-184.01, 83-1,100.03, 83-227.01, 83-227.02, 83-363, 83-364, 83-367, 83-370, 83-371, 83-375, 83-377, 83-378, 83-379, 83-380.01, 83-918, 83-963, and 86-1301, Reissue Revised Statutes of Nebraska, sections 73-815, 77-6521, 77-6604, 77-6610, 77-6837, and 77-6928, Revised Statutes Cumulative Supplement, 2024, and sections 61-218, 70-1003, 81-1113, 81-1139.02, 81-1430, 81-15,175, and 81-1606, Revised Statutes Supplement, 2025; to provide, change, and eliminate requirements related to reporting involving the Department of Agriculture, the Department of Labor, the Department of Water, Energy, and Environment, the Department of Revenue, the Department of Administrative Services, a task force under the Nebraska Commission on Law Enforcement and Criminal Justice, the Department of Correctional Services, the Board of Parole, the Department of Economic Development, the Department of Insurance, the Department of Transportation, and broadband Internet providers under the Nebraska Broadband Bridge Act as prescribed; to require certain copies of contracts to be provided to the Auditor of Public Accounts; to change reporting procedures for preparation of the state executive budget; to eliminate reports regarding labor negotiations; to eliminate the Suggestion Award Board and the state employee suggestion system; to eliminate provisions relating to costs of care for patients of state institutions; to harmonize provisions; to repeal the original sections; and to outright repeal sections 48-2909, 54-642, 77-6309, 81-1205, 81-1346, 81-1347, 81-1347.01, 81-1350, 81-1351, 81-1352, 81-1353, 81-1354, 81-1384, 83-380, and 86-1313, Reissue Revised Statutes of Nebraska, section 39-1392, Revised Statutes Cumulative Supplement, 2024,

and sections 81-1348 and 81-1607, Revised Statutes Supplement, 2025.

Be it enacted by the people of the State of Nebraska,

Section 1. Section 44-1412, Reissue Revised Statutes of Nebraska, is amended to read:

44-1412 (1) On or before March 31 each year, each insurance carrier shall file with the department the following information for the most recent calendar year:

(a) The total number of incentive payments made pursuant to the insurance carrier's shared savings incentive payment program;

(b) The use of shoppable health care services by category of service for which incentive payments are made;

(c) The total amount of incentive payments made to enrollees;

(d) The average amount of incentive payments made by category of shoppable health care service;

(e) The total savings achieved below the average prices by category of shoppable health care service; and

(f) The total number and percentage of an insurance carrier's enrollees that participated in the shared savings incentive payment program.

(2) On or before July 1, 2027, and on or before July 1 every two years thereafter, the department shall electronically submit an aggregate report for all insurance carriers filing the information required by subsection (1) of this section to the Legislature.

Sec. 2. Section 48-683, Reissue Revised Statutes of Nebraska, is amended to read:

48-683 The department shall not use General Funds to implement the short-time compensation program. The department shall use any and all available federal funds to implement the short-time compensation program, including, but not limited to, federal funds distributed to the state under sections 903(c), 903(d), 903(f), and 903(g) of the federal Social Security Act, as amended.

Sec. 3. Section 54-2428, Reissue Revised Statutes of Nebraska, is amended to read:

54-2428 (1) Any person required to obtain a National Pollutant Discharge Elimination System permit for an animal feeding operation or a construction and operating permit for a livestock waste control facility shall file an application with the department accompanied by the appropriate fees in the manner established by the department. The application fee shall be established by the council with a maximum fee of two hundred dollars. For major modifications to an application or a permit, the fee shall equal the amount of the application fee.

(2) On or before March 1, 2006, and each year thereafter, each person who has a National Pollutant Discharge Elimination System permit or who has a large concentrated animal feeding operation, as defined in 40 C.F.R. 122 and 123, as such regulations existed on January 1, 2004, and a state operating permit, a construction and operating permit, or a construction approval issued pursuant to the Environmental Protection Act or the Livestock Waste Management Act shall pay a per head annual fee based on the permitted capacity identified in the permit for that facility. The department shall invoice each permittee by February 1, 2006, and February 1 of each year thereafter.

(3) The initial annual fee shall be: Beef cattle, ten cents per head; veal calves, ten cents per head; dairy cows, fifteen cents per head; swine larger than fifty-five pounds, four dollars per one hundred head or fraction thereof; swine less than fifty pounds, one dollar per one hundred head or fraction thereof; horses, twenty cents per head; sheep or lambs, one dollar per one hundred head or fraction thereof; turkeys, two dollars per one thousand head or fraction thereof; chickens or ducks with liquid manure facility, three dollars per one thousand head or fraction thereof; and chickens or ducks with other than liquid manure facility, one dollar per one thousand head or fraction thereof. This fee structure may be reviewed in fiscal year 2007-08.

(4) Beginning in fiscal year 2007-08, the department shall annually review and adjust the fee structure in this section and section 54-2423 to ensure that fees are adequate to meet twenty percent of the program costs from the previous fiscal year. All fees collected under this section and sections 54-2423,

54-2435, and 54-2436 shall be remitted to the State Treasurer for credit to the Livestock Waste Management Cash Fund which is created for the purposes described in the Livestock Waste Management Act. Transfers may be made from the fund to the General Fund at the direction of the Legislature. Any money in the Livestock Waste Management Cash Fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

Sec. 4. Section 61-218, Revised Statutes Supplement, 2025, is amended to read:

61-218 (1) The Water Resources Cash Fund is created. The fund shall be administered by the Department of Water, Energy, and Environment. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

(2) The State Treasurer shall credit to the fund such money as is (a) transferred to the fund by the Legislature, (b) paid to the state as fees, deposits, payments, and repayments relating to the fund, both principal and interest, (c) donated as gifts, bequests, or other contributions to such fund from public or private entities, (d) made available by any department or agency of the United States if so directed by such department or agency, (e) transferred pursuant to section 81-15,175, and (f) received by the state for settlement of claims relating to interstate river compacts or decrees.

(3)(a) The fund shall be expended by the department in any area that has adopted an integrated management plan as provided in section 46-715.

(b) The fund shall be used in any such area:

(i) To aid management actions taken to reduce consumptive uses of water;

(ii) To enhance streamflows or ground water recharge;

(iii) For any other activity deemed necessary by the department in the development and implementation of an integrated management plan;

(iv) For purposes of the Resilient Soils and Water Quality Act; or

(v) For purposes of projects or proposals described in the grant

application as set forth in subdivision (2)(h) of section 81-15,175.

(c) To the extent funds are not expended pursuant to subdivision (b) of this subsection, the department may conduct a statewide assessment of short-term and long-term water management activities and funding needs to meet statutory requirements in sections 46-713 to 46-718 and 46-739 and any requirements of an interstate compact or decree or formal state contract or agreement.

(d) The fund shall not be used to pay for administrative expenses or any salaries for any political subdivision.

(4) It is the intent of the Legislature that three million three hundred thousand dollars be transferred each fiscal year from the General Fund to the Water Resources Cash Fund for FY2011-12 through FY2022-23, except that for FY2012-13 it is the intent of the Legislature that four million seven hundred thousand dollars be transferred from the General Fund to the Water Resources Cash Fund. It is the intent of the Legislature that the State Treasurer credit any money received from any Republican River Compact settlement to the Water Resources Cash Fund in the fiscal year in which it is received.

(5)(a) Expenditures from the Water Resources Cash Fund may be made to natural resources districts eligible under subsection (3) of this section for activities to either achieve a sustainable balance of consumptive water uses or assure compliance with an interstate compact or decree or a formal state contract or agreement and shall require a match of local funding in an amount equal to or greater than forty percent of the total cost of carrying out the eligible activity. The department shall, no later than August 1 of each year, beginning in 2007, determine the amount of funding that will be made available to natural resources districts from the Water Resources Cash Fund and notify natural resources districts of this determination. The department shall adopt and promulgate rules and regulations governing application for and use of the Water Resources Cash Fund by natural resources districts. Such rules and regulations shall, at a minimum, include the following components:

(i) Require an explanation of how the planned activity will achieve a

sustainable balance of consumptive water uses or will assure compliance with an interstate compact or decree or a formal state contract or agreement as required by section 46-715 and the controls, rules, and regulations designed to carry out the activity; and

(ii) A schedule of implementation of the activity or its components, including the local match as set forth in subdivision (5)(a) of this section.

(b) Any natural resources district that fails to implement and enforce its controls, rules, and regulations as required by section 46-715 shall not be eligible for funding from the Water Resources Cash Fund until it is determined by the department that compliance with the provisions required by section 46-715 has been established.

(6)(a) Prior to the application deadline for fiscal year 2011-12, the Department of Natural Resources shall apply for a grant of nine million nine hundred thousand dollars from the Nebraska Environmental Trust Fund, to be paid out in three annual installments of three million three hundred thousand dollars. The purposes listed in the grant application shall be consistent with the uses of the Water Resources Cash Fund provided in this section and shall be used to aid management actions taken to reduce consumptive uses of water, to enhance streamflows, to recharge ground water, or to support wildlife habitat in any river basin determined to be fully appropriated pursuant to section 46-714 or designated as overappropriated pursuant to section 46-713.

(b) If the application is granted, funds received from such grant shall be remitted to the State Treasurer for credit to the Water Resources Cash Fund for the purpose of supporting the projects set forth in the grant application. The department shall include in its grant application documentation that the Legislature has authorized a transfer of three million three hundred thousand dollars from the General Fund into the Water Resources Cash Fund for each of fiscal years 2011-12 and 2012-13 and has stated its intent to transfer three million three hundred thousand dollars to the Water Resources Cash Fund for fiscal year 2013-14.

(c) It is the intent of the Legislature that the department apply for an

additional three-year grant that would begin in fiscal year 2014-15, an additional three-year grant from the Nebraska Environmental Trust Fund that would begin in fiscal year 2017-18, and an additional three-year grant from the Nebraska Environmental Trust Fund that would begin in fiscal year 2020-21 if the criteria established in subsection (4) of section 81-15,175 are achieved.

(7) The department shall establish a subaccount within the Water Resources Cash Fund for the accounting of all money received as a grant from the Nebraska Environmental Trust Fund as the result of an application made pursuant to subsection (6) of this section.

(8) Any funds transferred from the Nebraska Environmental Trust Fund to the Water Resources Cash Fund shall be placed within the subaccount created under subsection (7) of this section and expended in accordance with section 81-15,168.

(9) The State Treasurer shall transfer one million dollars from the Water Resources Cash Fund to the Nitrogen Reduction Incentive Cash Fund as soon as administratively possible after July 19, 2024, but before June 30, 2025, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 5. Section 70-1003, Revised Statutes Supplement, 2025, is amended to read:

70-1003 (1)(a) There is hereby established an independent board to be known as the Nebraska Power Review Board. The board shall consist of five members, including at least one engineer, at least one attorney, and three additional persons. No more than one person who is or who has within four years preceding such person's appointment been either a director, an officer, or an employee of any electric utility or an elective state officer shall serve on the board at the same time. Any board member who previously was either a director, an officer, or an employee of any electric utility within four years preceding such board member's appointment shall refrain from taking any action or making any decision in any proceeding before the board that involves such electric utility for a period of four years after the date such board member

ceased being a director, an officer, or an employee of such electric utility.

(b) Members of the board shall be appointed by the Governor subject to the approval of the Legislature. Upon expiration of the terms of the members first appointed, the successors shall be appointed for terms of four years. No member of the board shall serve more than three consecutive terms. Any vacancy on the board arising other than from the expiration of a term shall be filled by appointment for the unexpired portion of the term, and any person appointed to fill a vacancy on the board shall be eligible for reappointment for two more consecutive terms. No more than three members of the board shall be registered members of that political party represented by the Governor.

(2) Each member of the board shall receive one hundred dollars per day for each day actually and necessarily engaged in the performance of his or her duties, but not to exceed seven thousand dollars in any one year, except for the member designated to represent the board on the Southwest Power Pool Regional State Committee or its equivalent successor, who shall receive two hundred fifty dollars for each day actually and necessarily engaged in the performance of his or her duties, not to exceed thirty-five thousand dollars in any one year. If the member designated to represent the board on the Southwest Power Pool Regional State Committee should for any reason no longer serve in that capacity during a year, the pay received while serving in such capacity shall not be used for purposes of calculating the seven-thousand-dollar limitation for board members not serving in that capacity. When another board member acts as the proxy for the designated Southwest Power Pool Regional State Committee member, he or she shall receive the same pay as the designated member would have for that activity. Pay received while serving as proxy for such designated member shall not be used for purposes of determining whether the seven-thousand-dollar limitation has been met for board members not serving as such designated member. Total pay to board members for activities related to the Southwest Power Pool shall not exceed an aggregate total of forty thousand dollars in any one year. Each member shall be reimbursed for expenses while so engaged as provided in sections 81-1174 to 81-1177. The board shall have

jurisdiction as provided in Chapter 70, article 10.

(3) The board shall elect from their members a chairperson and a vice-chairperson. Decisions of the board shall require the approval of a majority of the members of the board.

(4) The board shall employ an executive director and may employ such other staff necessary to carry out the duties pursuant to Chapter 70, article 10. The executive director shall serve at the pleasure of the board and shall be solely responsible to the board. The executive director shall be responsible for the administrative operations of the board and shall perform such other duties as may be delegated or assigned to him or her by the board. The board may obtain the services of experts and consultants necessary to carry out the board's duties pursuant to Chapter 70, article 10.

(5) The board shall publish and submit a biennial report with annual data to the Governor, with copies to be filed with the Clerk of the Legislature and with the Department of Water, Energy, and Environment. The report submitted to the Clerk of the Legislature shall be submitted electronically. The department shall consider the information in the Nebraska Power Review Board's report when the department prepares its own report pursuant to section 81-1606. The report of the board shall include:

(a) The assessments for the fiscal year imposed pursuant to section 70-1020;

(b) The gross income totals for each category of the industry and the industry total;

(c) The number of suppliers against whom the assessment is levied, by category and in total;

(d) The projected dollar costs of generation, transmission, and microwave applications, approved and denied;

(e) The actual dollar costs of approved applications upon completion, and a summary of an informational hearing concerning any significant divergence between the projected and actual costs;

(f) A description of Nebraska's current electric system and information on

additions to and retirements from the system during the fiscal year, including microwave facilities;

(g) A statistical summary of board activities and an expenditure summary;

(h) A roster of power suppliers in Nebraska and the assessment each paid;
and

(i) Appropriately detailed historical and projected electric supply and demand statistics, including information on the total generating capacity owned by Nebraska suppliers and the total peak load demand of the previous year, along with an indication of how the industry will respond to the projected situation.

(6) The board may, in its discretion, hold public hearings concerning the conditions that may indicate that retail competition in the electric industry would benefit Nebraska's citizens and what steps, if any, should be taken to prepare for retail competition in Nebraska's electricity market. In determining whether to hold such hearings, the board shall consider the sufficiency of public interest.

(7) The board may, at any time deemed beneficial by the board, submit a report to the Governor with copies to be filed with the Clerk of the Legislature and the Natural Resources Committee of the Legislature. The report filed with the Clerk of the Legislature and the committee shall be filed electronically. The report may include:

(a) Whether or not a viable regional transmission organization and adequate transmission exist in Nebraska or in a region which includes Nebraska;

(b) Whether or not a viable wholesale electricity market exists in a region which includes Nebraska;

(c) To what extent retail rates have been unbundled in Nebraska;

(d) A comparison of Nebraska's wholesale electricity prices to the prices in the region; and

(e) Any other information the board believes to be beneficial to the Governor, the Legislature, and Nebraska's citizens when considering whether retail electric competition would be beneficial, such as, but not limited to,

an update on deregulation activities in other states and an update on federal deregulation legislation.

(8) The board may establish working groups of interested parties to assist the board in carrying out the powers set forth in subsections (6) and (7) of this section.

Sec. 6. Section 71-1131, Reissue Revised Statutes of Nebraska, is amended to read:

71-1131 If the subject cannot afford to pay, the county shall pay court costs, costs of emergency custody, and related expenses for a petition filed pursuant to the Developmental Disabilities Court-Ordered Custody Act, including the costs of legal counsel appointed to represent the subject and any expert hired to evaluate and testify on behalf of the subject. In counties having a public defender, the court may appoint the public defender as legal counsel for the subject. The county shall be responsible for the cost of transporting the subject to and from court hearings under the act and to any emergency custody or other custody ordered under the act. The department shall pay the costs of the department's evaluations of the subject, the costs of the plans completed by the department and the independent mental health professional, and the costs of the court-ordered custody and treatment of the subject following an order of disposition, except as provided by sections 83-363 to 83-379.

Sec. 7. Section 73-815, Revised Statutes Cumulative Supplement, 2024, is amended to read:

73-815 Except as provided in section 73-813, all proposals for sole source contracts for services in excess of fifty thousand dollars shall be preapproved by the division except in emergencies. In case of an emergency, contract approval by the state agency director or his or her designee is required. Copies of the contract and state agency justification of the emergency shall be provided to the Director of Administrative Services and the Auditor of Public Accounts within three business days after contract approval. The state agency shall retain a copy of the justification with the contract in the state agency files. The Director of Administrative Services shall maintain a complete record

of such sole source contracts for services.

Sec. 8. Section 77-383, Reissue Revised Statutes of Nebraska, is amended to read:

77-383 The department may request from any state or local official or agency any information necessary to complete the report required under section 77-382. All state and local officials or agencies shall cooperate with the department with respect to any such request.

Sec. 9. Section 77-385, Reissue Revised Statutes of Nebraska, is amended to read:

77-385 The report required under section 77-382 and a summary of the report shall be submitted to the Governor, the Executive Board of the Legislative Council, and the chairpersons of the Legislature's Revenue and Appropriations Committees on or before October 15, 1991, and October 15 of every even-numbered year thereafter. The report submitted to the executive board and the committees shall be submitted electronically. The department shall, on or before December 1 of each even-numbered year, appear at a joint hearing of the Appropriations Committee of the Legislature and the Revenue Committee of the Legislature and present the report. Any supplemental information requested by three or more committee members shall be presented within thirty days after the request. The summary shall be included with or appended to the Governor's budget presented to the Legislature in odd-numbered years.

Sec. 10. Section 77-27,238, Reissue Revised Statutes of Nebraska, is amended to read:

77-27,238 (1) For taxable years beginning or deemed to begin on or after January 1, 2017, there shall be allowed to an employer of any eligible employee a nonrefundable credit, for not more than two years, against the income tax imposed by the Nebraska Revenue Act of 1967 in the amount of twenty percent of the employer's annual expenditures for any of the following services that are provided to eligible employees and that are incidental to the employer's business:

(a) The payment of tuition at a Nebraska public institution of postsecondary education or the payment of the costs associated with a high school equivalency program for eligible employees; and

(b) The provision of transportation of eligible employees to and from work.

(2) The credit allowed under this section for any taxable year shall not exceed the employer's actual tax liability for such taxable year.

(3) The Department of Revenue, in consultation with the Department of Health and Human Services, shall develop a process to verify that any employer claiming credits under this section qualifies for such credits.

(4) The Department of Revenue may adopt and promulgate rules and regulations necessary to carry out this section.

(5) For purposes of this section, eligible employee means a parent or caretaker relative (a) who is a member of a unit that received benefits under the state or federally funded Temporary Assistance for Needy Families program established in 42 U.S.C. 601 et seq., for any nine months of the eighteen-month period immediately prior to the employee's hiring date and (b) whose hiring date is on or after the first day of the taxable year for which the credit is claimed.

Sec. 11. Section 77-6307, Reissue Revised Statutes of Nebraska, is amended to read:

77-6307 (1) Each qualified small business, qualified investor, and qualified fund shall submit an annual report to the director by July 1 of each year. The report shall certify that the business, investor, or fund satisfies the requirements of the Angel Investment Tax Credit Act.

(2) A qualified small business that ceases all operations and becomes insolvent shall file a final report with the director in the form required by the director documenting its insolvency.

(3) To maintain the confidentiality of the qualified investor, the Department of Economic Development shall use a designated number to identify such persons or entities.

(4) A qualified small business, qualified investor, or qualified fund that fails to file a complete annual report by July 1 shall, at the discretion of the director, be subject to a fine of two hundred dollars, revocation of its certification, or both.

Sec. 12. Section 77-6521, Revised Statutes Cumulative Supplement, 2024, is amended to read:

77-6521 (1) The Department of Economic Development and the Department of Revenue shall jointly submit electronically an annual report to the Legislature no later than October 31 of each year. The report shall be on a fiscal year, accrual basis that satisfies the requirements set by the Governmental Accounting Standards Board. The Department of Economic Development and the Department of Revenue shall together, on or before December 15 of each even-numbered year, appear at a joint hearing of the Appropriations Committee of the Legislature and the Revenue Committee of the Legislature and present the report. Any supplemental information requested by three or more committee members must be provided within thirty days after the request.

(2) The report shall list (a) the agreements which have been signed during the previous calendar year, (b) the agreements which are still in effect, and (c) the identity of each taxpayer that is a party to an agreement.

(3) The report shall provide information on agreement-specific total credits used every two years for each agreement. The report shall disclose the identity of the taxpayer and the total credits used during the immediately preceding two years, expressed as a single, aggregated total. The information required to be reported under this subsection shall not be reported for the first year the taxpayer maintains the required employment threshold. The information on first-year credits used shall be combined with and reported as part of the second year. Thereafter, the information on credits used for succeeding years shall be reported for each agreement every two years containing information on two years of credits used.

(4) No information shall be provided in the report that is protected by state or federal confidentiality laws.

Sec. 13. Section 77-6604, Revised Statutes Cumulative Supplement, 2024, is amended to read:

77-6604 (1) A business may apply to the director for certification as an eligible business. The program certification application shall be in the form and be made under the procedures specified by the director.

(2) Within thirty days after receiving a program certification application under this section, the director shall certify the business as satisfying the conditions required of an eligible business, request additional information, or deny the program certification application. If the director requests additional information, the director shall certify the business or deny the program certification application within thirty days after receiving the additional information. If the director neither certifies the business nor denies the program certification application within thirty days after receiving the original program certification application or within thirty days after receiving the additional information requested, whichever is later, then the program certification application is deemed approved if the business meets the requirements in subsection (3) of this section. A business that applies for program certification and is denied may reapply.

(3) To be certified as an eligible business under the Renewable Chemical Production Tax Credit Act, a business shall meet all of the following requirements:

(a) The business produced at least one million pounds of renewable chemicals in this state during the calendar year for which tax credits are sought;

(b) The business is physically located in this state;

(c) The business organized, expanded, or located in this state on or after January 1, 2021; and

(d) The business is in compliance with all agreements entered into under the act and pursuant to any other tax credits or programs administered by the Department of Economic Development or the Department of Revenue.

(4)(a) An eligible business shall enter into an agreement with the

director for the successful completion of all requirements of the act. The agreement may certify the business to receive tax credits under the act for up to four years.

(b) As part of the agreement, the eligible business shall agree to collect and provide any information reasonably required by the Department of Economic Development and the Department of Revenue in order to fulfill the reporting obligations under section 77-6610.

Sec. 14. Section 77-6610, Revised Statutes Cumulative Supplement, 2024, is amended to read:

77-6610 (1) On or before October 31 of each year, the Department of Economic Development and the Department of Revenue shall electronically submit an annual report to the Legislature. At a minimum, the report shall include the following information regarding tax credits and the recipients of such credits:

(a) The aggregate number of pounds, and a list of each type, of renewable chemicals produced in Nebraska by all recipients (i) during the calendar year prior to the calendar year for which each recipient first received tax credits and (ii) for each calendar year thereafter;

(b) The aggregate sales of all renewable chemicals produced by all recipients in each calendar year for which there are at least five recipients;

(c) The aggregate number of pounds, and a list of each type, of biomass feedstock used in the production of renewable chemicals in Nebraska by all recipients (i) during the calendar year prior to the calendar year for which each recipient first received tax credits and (ii) for each calendar year thereafter;

(d) The number of employees located in Nebraska of all recipients (i) during the calendar year prior to the calendar year for which each recipient first received tax credits and (ii) for each calendar year thereafter;

(e) The number and aggregate amount of tax credits issued for each calendar year;

(f) The number of eligible businesses placed on the wait list for each calendar year and the total number of eligible businesses remaining on the wait

list at the end of that calendar year;

(g) The dollar amount of tax credit claims placed on the wait list for each calendar year and the total dollar amount of tax credit claims remaining on the wait list at the end of that calendar year;

(h) For each eligible business which received tax credits during each calendar year: (i) The identity of the eligible business; (ii) the amount of the tax credits; and (iii) the manner in which the eligible business first qualified as an eligible business, whether by organizing, expanding, or locating in the state; and

(i) The total amount of all tax credits claimed during each calendar year, and the portion issued as refunds.

(2) In order to protect the presumption of confidentiality provided for in section 77-6609, the Department of Economic Development and the Department of Revenue shall report all information in an aggregate form to prevent, to the extent reasonably possible, information being attributable to any particular eligible business, except as provided in subdivision (1)(h) of this section.

Sec. 15. Section 77-6837, Revised Statutes Cumulative Supplement, 2024, is amended to read:

77-6837 (1) Beginning in 2021, the director and the Tax Commissioner shall jointly submit electronically an annual report for the previous fiscal year to the Legislature no later than October 31 of each year. The report shall be on a fiscal year, accrual basis that satisfies the requirements set by the Governmental Accounting Standards Board. The Department of Economic Development and the Department of Revenue shall together, on or before December 15 of each even-numbered year, appear at a joint hearing of the Appropriations Committee of the Legislature and the Revenue Committee of the Legislature and present the report. Any supplemental information requested by three or more committee members shall be presented within thirty days after the request.

(2) The report shall list (a) the agreements which have been signed during the previous year, (b) the agreements which are still in effect, (c) the identity of each taxpayer who is party to an agreement, and (d) the qualified

location or locations.

(3) The report shall also state, for taxpayers who are parties to agreements, by industry group (a) the specific incentive options applied for under the Imagine Nebraska Act, (b) the refunds and reductions in tax allowed on the investment, (c) the credits earned, (d) the credits used to reduce the corporate income tax and the credits used to reduce the individual income tax, (e) the credits used to obtain sales and use tax refunds, (f) the credits used against withholding liability, (g) the credits used for job training, (h) the credits used for infrastructure development, (i) the number of jobs created under the act, (j) the expansion of capital investment, (k) the estimated wage levels of jobs created under the act subsequent to the application date, (l) the total number of qualified applicants, (m) the projected future state revenue gains and losses, (n) the sales tax refunds owed, (o) the credits outstanding under the act, (p) the value of personal property exempted by class in each county under the act, (q) the amount of workforce training and infrastructure development loans issued, outstanding, repaid, and delinquent, and (r) the value of health coverage provided to employees at qualified locations during the year who are not base-year employees and who are paid the required compensation. The report shall include the estimate of the amount of sales and use tax refunds to be paid and tax credits to be used as were required for the October forecast under section 77-6839.

(4) In estimating the projected future state revenue gains and losses, the report shall detail the methodology utilized, state the economic multipliers and industry multipliers used to determine the amount of economic growth and positive tax revenue, describe the analysis used to determine the percentage of new jobs attributable to the Imagine Nebraska Act, and identify limitations that are inherent in the analysis method.

(5) The report shall provide an explanation of the audit and review processes of the Department of Economic Development and the Department of Revenue, as applicable, in approving and rejecting applications or the grant of incentives and in enforcing incentive recapture. The report shall also specify

the median period of time between the date of application and the date the agreement is executed for all agreements executed by June 30 of the current year.

(6) The report shall provide information on agreement-specific total incentives used every two years for each agreement. The report shall disclose (a) the identity of the taxpayer, (b) the qualified location or locations, and (c) the total credits used and refunds approved during the immediately preceding two years expressed as a single, aggregated total. The incentive information required to be reported under this subsection shall not be reported for the first year the taxpayer attains the required employment and investment thresholds. The information on first-year incentives used shall be combined with and reported as part of the second year. Thereafter, the information on incentives used for succeeding years shall be reported for each agreement every two years containing information on two years of credits used and refunds approved. The incentives used shall include incentives which have been approved by the director or Tax Commissioner, as applicable, but not necessarily received, during the previous two years.

(7) The report shall include an executive summary which shows aggregate information for all agreements for which the information on incentives used in subsection (6) of this section is reported as follows: (a) The total incentives used by all taxpayers for agreements detailed in subsection (6) of this section during the previous two years; (b) the number of agreements; (c) the new jobs at the qualified location or locations for which credits have been granted; (d) the average compensation paid to employees in the state in the year of application and for the new jobs at the qualified location or locations; and (e) the total investment for which incentives were granted. The executive summary shall summarize the number of states which grant investment tax credits, job tax credits, sales and use tax refunds for qualified investment, and personal property tax exemptions and the investment and employment requirements under which they may be granted.

(8) No information shall be provided in the report or in supplemental

information that is protected by state or federal confidentiality laws.

Sec. 16. Section 77-6928, Revised Statutes Cumulative Supplement, 2024, is amended to read:

77-6928 (1) On or before October 31 of each year, the Department of Economic Development and the Department of Revenue shall electronically submit a joint annual report to the Legislature that includes:

(a) The total amount of investment at qualified locations in the previous calendar year by taxpayers who are receiving incentives pursuant to the Urban Redevelopment Act;

(b) The total number of equivalent employees added in the previous calendar year by taxpayers who are receiving incentives pursuant to the act; and

(c) The total amount of credits claimed and refunds approved in the previous calendar year under the act.

(2) The report shall also provide information on project-specific total incentives used every two years for each approved project, including (a) the identity of the taxpayer, (b) the qualified location of the project, and (c) the total credits used and refunds approved during the immediately preceding two years expressed as a single, aggregated total. The incentive information required to be reported under this subsection shall not be reported for the first year the taxpayer attains the required employment and investment thresholds. The information on first-year incentives used shall be combined with and reported as part of the second year. Thereafter, the information on incentives used for succeeding years shall be reported for each project every two years and shall include information on two years of credits used and refunds approved. The incentives used shall include incentives that have been approved by the Director of Economic Development, but not necessarily received, during the previous two calendar years.

(3) On or before September 1, 2024, and on or before September 1 of each year thereafter, the Department of Economic Development shall present the report electronically to the Appropriations Committee of the Legislature. Any

supplemental information requested by three or more committee members shall be presented within thirty days after the request.

(4) No information shall be provided in the report that is protected by state or federal confidentiality laws.

Sec. 17. Section 81-125, Reissue Revised Statutes of Nebraska, is amended to read:

81-125 The Governor shall on or before January 15 of each odd-numbered year present to the Legislature a complete budget for all the activities of the state receiving appropriations or requesting appropriations, except that the Governor during his or her first year in office shall present such budget to the Legislature on or before February 1. Such budget shall be a tentative work program for the coming biennium, shall contain a full and itemized report of the expenditures from appropriations made by the previous Legislature and the items which the Governor deems worthy of consideration for the coming biennium, for the respective departments, offices, and institutions, and for all other purposes, and shall contain the estimated revenue from taxation, the estimated revenue from sources other than taxation, an estimate of the amount required to be raised by taxation and the sales and income tax rates necessary to raise such amount, the revenue foregone by operation of laws in effect at the time of such report granting tax expenditures and reduced tax liabilities as identified in the reports required by sections 77-5731 and 77-6837, and recommendations as to deficiency funding requirements pursuant to section 81-126. The summary of the tax expenditure report prepared pursuant to section 77-385 and a summary of the reports required by sections 77-5731 and 77-6837 shall be included with or appended to the budget presented to the Legislature. The Governor may make recommendations whether to continue or eliminate, in whole or in part, each tax expenditure and incentive program or to limit the duration of particular tax expenditures and incentives to a fixed number of years and shall include his or her reasoning for each recommendation, if any. The recommendations shall be transmitted to the Revenue Committee of the Legislature at the same time the Governor submits a budget as required in this section. The budget as

transmitted to the Legislature shall show the estimated requirements for each activity of the state as prepared by the Department of Administrative Services and the final recommendation of the Governor. The budget shall comprise the complete report to the Legislature of all appropriations made for the current biennium and expenditures therefrom by all agencies receiving appropriations, and the report of expenditures contained in the budget shall be in lieu of all other biennial or other financial reports required by statute to the Legislature by expending agencies of appropriations and expenditures for their own activities except the biennial report of the State Treasurer and Director of Administrative Services.

Sec. 18. Section 81-1113, Revised Statutes Supplement, 2025, is amended to read:

81-1113 The budget division shall prepare the executive budget in accordance with the wishes and policies of the Governor. The budget division shall have the following duties, powers, and responsibilities:

(1) Shall prescribe the forms and procedures to be employed by all departments and agencies of the state in compiling and submitting their individual budget requests and shall set up a budget calendar which shall provide for (a) the date, not later than July 15 of each even-numbered year, for distribution of instructions, (b) the date by which time requests for appropriations by each agency shall be submitted, and (c) the period during which such public hearings as the Governor may elect shall be held for each department and agency. The budget request shall be submitted each even-numbered year no later than the date provided in subsection (1) of section 81-132, shall include the intended receipts and expenditures by programs and such additional information as the administrator may deem appropriate for each fiscal year, shall be made upon a biennial basis, and shall include actual receipts and actual expenditures for each fiscal year of the most recently completed biennium and the first year of the current biennium and estimates for the second year of the current biennium and each year of the next ensuing biennium;

(2) Shall prescribe the forms and procedures to be employed by all

departments and agencies of the state in compiling and submitting their proposed changes to existing appropriations for the biennium in progress. The budget division shall distribute instructions and forms to all departments and agencies no later than September 15 of each odd-numbered year. Departments and agencies shall submit their proposed changes no later than the date provided in subsection (2) of section 81-132;

(3) Shall work with each governmental department and agency in developing performance standards for each program to measure and evaluate present as well as projected levels of expenditures. The budget division shall also work with the Department of Health and Human Services to develop key goals, benchmarks, and methods of quantification of progress required pursuant to sections 81-3133.01 to 81-3133.03;

(4) Shall, following passage of legislative appropriations, be responsible for the administration of the approved budget through budgetary allotments;

(5) Shall be responsible for a monthly budgetary report for each department and agency showing comparisons between actual expenditures and allotments, which report shall be subject to review by the director and budget administrator; and

(6) Shall be responsible for the authorization of employee positions. Such authorizations shall be based on the following:

(a) A requirement that a sufficient budget program appropriation and salary limitation exist to fully fund all authorized positions;

(b) A requirement that permanent full-time positions which have been vacant for ninety days or more be reviewed and reauthorized prior to being filled. If requested by the budget division, the personnel division of the Department of Administrative Services shall review such vacant position to determine the proper classification for the position;

(c) A requirement that authorized positions accurately reflect legislative intent contained in legislative appropriation and intent bills; and

(d) Other relevant criteria as determined by the budget administrator.

Sec. 19. Section 81-1139.02, Revised Statutes Supplement, 2025, is amended

to read:

81-1139.02 Beginning July 1, 2026, the Department of Administrative Services shall assume the duties of the Vacant Building and Excess Land Committee.

Sec. 20. Section 81-1354.01, Reissue Revised Statutes of Nebraska, is amended to read:

81-1354.01 Nothing in sections 81-1301 to 81-1329 shall prohibit state employees from exercising their rights granted in Chapter 48, article 8, or any other applicable sections of law.

Sec. 21. Section 81-1378, Reissue Revised Statutes of Nebraska, is amended to read:

81-1378 (1) The dates indicated in sections 81-1379 to 81-1383 shall refer to those dates immediately preceding the beginning of the contract period for which negotiations are being conducted.

(2) When any date provided in sections 81-1379 to 81-1383 falls on a Saturday, a Sunday, or any day declared by statutory enactment or proclamations of the Governor to be a holiday, the next following day which is not a Saturday, a Sunday, or a day declared by the enactment or proclamation to be a holiday shall be deemed to be the day indicated by such date.

(3) The dates indicated in sections 81-1382 and 81-1383 are jurisdictional. Failure of either party to act in a timely manner shall result in a jurisdictional bar for either the commission or Supreme Court.

Sec. 22. Section 81-1430, Revised Statutes Supplement, 2025, is amended to read:

81-1430 (1) A task force is hereby established within the Nebraska Commission on Law Enforcement and Criminal Justice for the purposes of investigating and studying human trafficking, the methods for advertising human trafficking services, and the victimization of individuals coerced to participate in human trafficking. The task force terminates July 1, 2026.

(2) The task force shall examine the extent to which human trafficking is prevalent in this state, the scope of efforts being taken to prevent human

trafficking from occurring, and the services available to victims of human trafficking in this state. The task force shall utilize information and research available from the Innocence Lost National Initiative. The task force shall research and recommend a model of rehabilitative services for victims of human trafficking that includes input from the areas of law enforcement, social services, the legal profession, the judiciary, mental health, and immigration. The task force shall also investigate the limitations upon victims who wish to come forward and seek medical attention; investigate the potential to stop human trafficking; and investigate the potential to promote recovery, to protect families and children who may be profoundly impacted by such abuse, and to save lives.

(3)(a) The Department of Labor shall develop or select informational posters for placement around the state. The posters shall be in English, Spanish, and any other language deemed appropriate by the department. The posters shall include a toll-free telephone number a person may call for assistance, preferably the National Human Trafficking Resource Center Hotline (888)373-7888.

(b) Posters shall be placed in rest stops, strip clubs, and casinos. The department shall work with local businesses and nonprofit entities associated with the prevention of human trafficking to voluntarily place additional signs in high schools, postsecondary educational institutions, gas stations, hotels, hospitals, health care clinics, urgent care centers, airports, train stations, bus stations, and other locations around the state deemed appropriate by the department.

(c) Prior to July 1, 2026, the department shall work with the task force to carry out this subsection.

(4) The task force shall consist of the following members:

(a) The Attorney General or his or her designee;

(b) The executive director of the Nebraska Commission on Law Enforcement and Criminal Justice;

(c) The Superintendent of Law Enforcement and Public Safety or his or her

designee;

(d) The Director of Correctional Services or his or her designee;

(e) The chief of police or director of public safety of a city of two hundred thousand inhabitants or more as determined by the most recent federal decennial census or the most recent revised certified count by the United States Bureau of the Census;

(f) The chief of police or director of public safety of a city of less than two hundred thousand inhabitants as determined by the most recent federal decennial census or the most recent revised certified count by the United States Bureau of the Census;

(g) A county sheriff;

(h) A county attorney;

(i) A county commissioner;

(j) A mayor or city manager;

(k) A person involved with the control or prevention of juvenile delinquency;

(l) A person involved with the control or prevention of child abuse;

(m) The Commissioner of Education or his or her designee;

(n) The director of the Commission on Latino-Americans or his or her designee; and

(o) Six members, at least three of whom shall be women, from the public at large.

(5) The Governor shall appoint the members of the task force listed in subdivisions (4)(e) through (l) and (o) of this section for terms as provided in subsection (6) of this section. The membership of the task force shall represent varying geographic areas and large and small political subdivisions. One member from the public at large shall be a professional representing child welfare, and one member of the public at large shall represent juvenile pretrial diversion programs.

(6) The members of the task force appointed by the Governor shall serve six-year terms, except that of the members first appointed, four shall serve

initial two-year terms, four shall serve initial four-year terms, and six shall serve initial six-year terms from January 1 next succeeding their appointments. Thereafter, all members shall serve six-year terms. A member may be reappointed at the expiration of his or her term. Any vacancy occurring otherwise than by expiration of a term shall be filled for the balance of the unexpired term in the same manner as the original appointment.

(7) No member shall serve beyond the time when he or she holds the office, employment, or status by reason of which he or she was initially eligible for appointment. Any member of the task force appointed by the Governor may be removed from the task force for cause upon notice and an opportunity to be heard at a public hearing. One of the causes for removal shall be absence from three regularly scheduled meetings of the task force during any six-month period when the member has failed to advise the task force in advance of such meeting that he or she will be absent and stating a reason therefor.

(8) The chairperson of the task force shall be designated by the Governor to serve at the pleasure of the Governor. The chairperson shall be the chief executive officer of the task force but may delegate such of his or her duties to other members of the task force as may be authorized by the task force.

(9) Notwithstanding any provision of law, ordinance, or charter provision to the contrary, membership on the task force shall not disqualify any member from holding any other public office or employment or cause the forfeiture thereof.

(10) The members of the task force shall serve on the task force without compensation, but they shall be entitled to receive reimbursement for expenses incurred incident to such service as provided in sections 81-1174 to 81-1177.

(11) Eleven members of the task force shall constitute a quorum for the transaction of any business or the exercise of any power of the task force. The task force shall have the power to act by a majority of the members present at any meeting at which a quorum is in attendance.

Sec. 23. Section 81-1504.01, Reissue Revised Statutes of Nebraska, is amended to read:

81-1504.01 The department shall provide the following information electronically to the Governor and to the Clerk of the Legislature by December 1 of each year:

(1) A report by type of service or aid provided by the use and distribution of federal funds received by the department. The report shall also include user fees, permit fees, license fees, and application fees authorized by the federal Environmental Protection Agency as follows:

(a) Actual expenditure of each budget program or authorized fees for the most recently completed state fiscal year, including a list of expenditures by funding source;

(b) Current budget and planned use and distribution of each budget program and authorized fees for the current state fiscal year, including a list of expenditures by funding source;

(c) A summary of the projected funding level of each budget program and authorized fees and the impact of federal mandates and regulations upon the future use of federal funding and authorized fees; and

(d) Program summaries including statistical summaries when applicable for the most recently completed state fiscal year and program activity goals for the current state fiscal year;

(2) A summary of regulations of the federal Environmental Protection Agency which the department is required to implement and which do not include federal funding assistance and the possible financial impact to the state and political subdivisions;

(3) A report by type of service or aid provided by the use and distribution of state general and cash funds, including user fees, permit fees, license fees, and application fees, to carry out activities that are not funded by federal grants as follows:

(a) Actual expenditure of state funds, by agency sections, for the most recently completed state fiscal year, including a breakdown of expenditures by personal services, operations, travel, capital outlay, and consulting and contractual services;

(b) Current budget and planned use and distribution of state funds, by budget program, for the current state fiscal year, including a breakdown of expenditures for aid and operations;

(c) A summary of projected program funding needs based upon the statutory requirements and public demand for services and the department's assessment of anticipated needs statewide; and

(d) Program summaries including statistical summaries when applicable for the most recently completed state fiscal year and program activity goals for the current state fiscal year;

(4) A report regarding staff turnover by job class and the department's assessment of its ability to hire and retain qualified staff considering the state's personnel pay plan;

(5) A report listing the method used by each new or existing licensee, permittee, or other person who is required by the department to establish proof of financial responsibility;

(6) A report for the previous state fiscal year relating to the purpose of the Nebraska Litter Reduction and Recycling Act and of funds credited to the Nebraska Litter Reduction and Recycling Fund;

(7) A report for the previous state fiscal year relating to the use of the Water Resources Cash Fund including details regarding the use and cost of activities carried out by the department and details regarding the use and cost of activities carried out by each natural resources district that received funds from the Water Resources Cash Fund;

(8) A report designed to identify emerging trends related to energy supply, demand, and conservation and to specify the level of statewide energy need within the following sectors: (a) Agricultural; (b) commercial; (c) residential; (d) industrial; (e) transportation; (f) utilities; (g) government; and (h) any other sector that the director determines to be useful, that shall include, but not be limited to:

(i) An assessment of the state's energy resources, including examination of the current energy supplies and any feasible alternative sources;

(ii) The estimated reduction in annual energy consumption resulting from various energy conservation measures;

(iii) The status of the ongoing studies of the department pursuant to subdivisions (35) through (58) of section 81-1504;

(iv) Recommendations to the Governor and the Legislature for administrative and legislative actions to accomplish the purposes of this section and section 81-1606; and

(v) The use of funds disbursed during the previous state fiscal year under sections 81-1635 to 81-1641. The use of such funds shall be reported each year until the funds are completely disbursed and all contractual obligations have expired or otherwise terminated;

(9) A report that documents all direct and indirect costs incurred in the previous fiscal year in carrying out the Livestock Waste Management Act, including (a) the number of inspections conducted, (b) the number of animal feeding operations with livestock waste control facilities, (c) the number of animal feeding operations inspected, (d) the size of the livestock waste control facilities, (e) the results of water quality monitoring programs, and (f) any other elements relating to carrying out the act. The Appropriations Committee of the Legislature shall review the report in its analysis of executive programs in order to verify that the revenue generated from fees was used solely to offset appropriate and reasonable costs associated with the Livestock Waste Management Act; and

(10) A report that documents all direct and indirect program costs incurred in the previous fiscal year in carrying out the air quality permit program as provided in section 81-1505.04. The Appropriations Committee of the Legislature shall review such report in its analysis of executive programs in order to verify that revenue generated from emission fees was used solely to offset appropriate and reasonable costs associated with the air quality permit program. The report shall identify costs incurred by the department to administer the permit program for each major source. In addition, the department shall identify costs incurred by primary activity and not specific

to a major source.

Sec. 24. Section 81-1505.04, Reissue Revised Statutes of Nebraska, is amended to read:

81-1505.04 (1)(a) The department shall collect an annual emission fee from major sources of air pollution. Each major source shall pay the emission fee for regulated pollutants in the amount of twenty-five dollars per ton per pollutant or as adjusted pursuant to this section. The fee shall be based upon the amount of emissions of each regulated pollutant as reported or estimated by the source in the previous calendar year, but fees shall not be paid on amounts in excess of four thousand tons per year for any regulated pollutant.

(b) Beginning with calendar year 2001 emissions, fees shall not be paid for a mid-sized electric generation facility on amounts in excess of four hundred tons per year for any regulated pollutant.

(c) A mid-sized electric generation facility owned by a municipality shall continue to be considered a separate mid-sized electric generation facility for purposes of this section even if the facility is subsequently permitted with another general unit larger than one hundred fifteen megawatts under separate ownership. Each facility under separate ownership shall be considered a separate major source for purposes of this section.

(d) For purposes of this section, mid-sized electric generation facility means a facility that:

(i) Uses coal as the primary source of fuel in the facility's largest generation unit;

(ii) Has a name plate generating capacity of between seventy and one hundred fifteen megawatts in the facility's largest generation unit; and

(iii) Is not operating in a political subdivision which has been delegated the authority to enforce the air quality permit program within its jurisdiction.

(2)(a) The emission fee may be increased or decreased annually by the department by the percentage difference between the Consumer Price Index for the most recent year ending before the beginning of such year and the Consumer

Price Index for the year 1989 or as required to pay all reasonable direct and indirect costs of developing and administering the air quality permit program. For purposes of this section, Consumer Price Index means the change in the price of goods and services for all urban consumers published by the United States Department of Labor at the close of the twelve-month period ending on August 31 of each year.

(b) For purposes of this section, reasonable direct and indirect costs of developing and administering the air quality permit program, as required under the federal Clean Air Act, as the act existed on May 31, 2001, 42 U.S.C. 7661a through f, include:

- (i) Consideration of any associated overhead charges for personnel, equipment, buildings, and vehicles;
- (ii) Reviewing and acting on any application for a permit or permit revision;
- (iii) Implementing and enforcing the terms of any permit, not including any court costs or other costs associated with any formal enforcement action;
- (iv) Emissions and ambient monitoring, including adequate resources to audit and inspect source-operated monitoring programs;
- (v) Preparing generally applicable regulations or guidance;
- (vi) Modeling, analyses, or demonstrations;
- (vii) Preparing inventories and tracking emissions;
- (viii) Developing and implementing any emissions trading programs as defined by the department; and
- (ix) Providing support to sources under the Small Business Compliance Advisory Panel.

(c) The council shall establish procedures for the method of calculation and payment of the emission fee in a manner consistent with this section and shall establish the definition of or a table listing the pollutants which are regulated pollutants and a definition of major source. Such definitions or listing shall comply with and not be more stringent than the requirements of the federal Clean Air Act, as the act existed on May 31, 2001, 42 U.S.C. 7401

et seq.

(3) The department shall administer a cost tracking system which shall show costs for each major source and costs for each primary activity that is not specific to a major source. The department shall consult with interested parties regarding identification of primary activities to be tracked by the cost tracking system.

Sec. 25. Section 81-15,175, Revised Statutes Supplement, 2025, is amended to read:

81-15,175 (1) The board may make an annual allocation each fiscal year from the Nebraska Environmental Trust Fund to the Nebraska Environmental Endowment Fund as provided in section 81-15,174.01. The board shall make annual allocations from the Nebraska Environmental Trust Fund and may make annual allocations each fiscal year from the Nebraska Environmental Endowment Fund for projects which conform to the environmental categories of the board established pursuant to section 81-15,176 and to the extent the board determines those projects to have merit. The board shall establish a calendar annually for receiving and evaluating proposals and awarding grants. To evaluate the economic, financial, and technical feasibility of proposals, the board may establish subcommittees, request or contract for assistance, or establish advisory groups. Private citizens serving on advisory groups shall be reimbursed for expenses pursuant to sections 81-1174 to 81-1177.

(2) The board shall establish rating systems for ranking proposals which meet the board's environmental categories and other criteria. The rating systems shall include, but not be limited to, the following considerations:

- (a) Conformance with categories established pursuant to section 81-15,176;
- (b) Amount of funds committed from other funding sources;
- (c) Encouragement of public-private partnerships;
- (d) Geographic mix of projects over time;
- (e) Cost-effectiveness and economic impact;
- (f) Direct environmental impact;
- (g) Environmental benefit to the general public and the long-term nature

of such public benefit; and

(h) Applications submitted by the Department of Water, Energy, and Environment pursuant to subsection (6) of section 61-218 shall be awarded fifty priority points in the ranking process for the 2011 grant application if the Legislature has authorized annual transfers of three million three hundred thousand dollars to the Water Resources Cash Fund for each of fiscal years 2011-12 and 2012-13 and has stated its intent to transfer three million three hundred thousand dollars to the Water Resources Cash Fund in fiscal year 2013-14. Priority points shall be awarded if the proposed programs set forth in the grant application are consistent with the purposes of reducing consumptive uses of water, enhancing streamflows, recharging ground water, or supporting wildlife habitat in any river basin determined to be fully appropriated pursuant to section 46-714 or designated as overappropriated pursuant to section 46-713.

(3) A grant awarded under this section pursuant to an application made under subsection (6) of section 61-218 shall be paid out in the following manner:

(a) The initial three million three hundred thousand dollar installment shall be remitted to the State Treasurer for credit to the Water Resources Cash Fund no later than fifteen business days after the date that the grant is approved by the board;

(b) The second three million three hundred thousand dollar installment shall be remitted to the State Treasurer for credit to the Water Resources Cash Fund no later than May 15, 2013; and

(c) The third three million three hundred thousand dollar installment shall be remitted to the State Treasurer for credit to the Water Resources Cash Fund no later than May 15, 2014, if the Legislature has authorized a transfer of three million three hundred thousand dollars from the General Fund to the Water Resources Cash Fund for fiscal year 2013-14.

(4) It is the intent of the Legislature that the Department of Water, Energy, and Environment apply for an additional three-year grant from the

Nebraska Environmental Trust Fund that would begin in fiscal year 2014-15, a three-year grant that would begin in fiscal year 2017-18, and a three-year grant that would begin in fiscal year 2020-21 and such application shall be awarded fifty priority points in the ranking process as set forth in subdivision (2)(h) of this section if the following criteria are met:

(a) The Natural Resources Committee of the Legislature has examined options for water funding and has submitted a report electronically to the Clerk of the Legislature and the Governor by December 1, 2012, setting forth:

(i) An outline and priority listing of water management and funding needs in Nebraska, including instream flows, residential, agricultural, recreational, and municipal needs, interstate obligations, water quality issues, and natural habitats preservation;

(ii) An outline of statewide funding options which create a dedicated, sustainable funding source to meet the needs set forth in the report; and

(iii) Recommendations for legislation;

(b) The projects and activities funded by the department through grants from the Nebraska Environmental Trust Fund under this section have resulted in enhanced streamflows, reduced consumptive uses of water, recharged ground water, supported wildlife habitat, or otherwise contributed towards conserving, enhancing, and restoring Nebraska's ground water and surface water resources. On or before July 1, 2014, the department shall submit electronically a report to the Natural Resources Committee of the Legislature providing demonstrable evidence of the benefits accrued from such projects and activities; and

(c) In addition to the grant reporting requirements of the trust, on or before July 1, 2014, the department provides to the board a report which includes documentation that:

(i) Expenditures from the Water Resources Cash Fund made to natural resources districts have met the matching fund requirements provided in subdivision (5)(a) of section 61-218;

(ii) Ten percent or less of the matching fund requirements has been provided by in-kind contributions for expenses incurred for projects enumerated

in the grant application. In-kind contributions shall not include land or land rights; and

(iii) All other projects and activities funded by the department through grants from the Nebraska Environmental Trust Fund under this section were matched not less than forty percent of the project or activity cost by other funding sources.

(5) The board may establish a subcommittee to rate grant applications. If the board uses a subcommittee, the meetings of such subcommittee shall be subject to the Open Meetings Act. The subcommittee shall (a) use the rating systems established by the board under subsection (2) of this section, (b) assign a numeric value to each rating criterion, combine these values into a total score for each application, and rank the applications by the total scores, (c) recommend an amount of funding for each application, which amount may be more or less than the requested amount, and (d) submit the ranked list and recommended funding to the board for its approval or disapproval.

(6) The board may commit funds to multiyear projects, subject to available funds and appropriations. No commitment shall exceed three years without formal action by the board to renew the grant or contract. Multiyear commitments may be exempt from the rating process except for the initial application and requests to renew the commitment.

(7) The board shall adopt and promulgate rules and regulations and publish guidelines governing allocations from the fund. The board shall conduct annual reviews of existing projects for compliance with project goals and grant requirements.

(8) Every five years the board may evaluate the long-term effects of the projects it funds. The evaluation may assess a sample of such projects. The board may hire an independent consultant to conduct the evaluation and may report the evaluation findings to the Legislature and the Governor. The report submitted to the Legislature shall be submitted electronically.

Sec. 26. Section 81-1606, Revised Statutes Supplement, 2025, is amended to read:

81-1606 The Department of Water, Energy, and Environment shall develop and maintain a program of collection, compilation, and analysis of energy statistics and information. Existing information reporting requests, maintained at the state and federal levels, shall be utilized whenever possible in any data collection required regarding state energy policy pursuant to this section, subdivisions (35) through (58) of section 81-1504, or section 81-1604. A central state repository of energy data shall be developed and coordinated with other governmental data-collection and record-keeping programs. The department shall, on at least an annual basis, with monthly compilations, submit to the Governor and the Clerk of the Legislature a report identifying state energy consumption by fuel type and by use to the extent that such information is available. The report submitted to the Clerk of the Legislature shall be submitted electronically. Nothing in this section shall be construed as permitting or authorizing the revealing of confidential information. For purposes of this section confidential information shall mean any process, formula, pattern, decision, or compilation of information which is used, directly or indirectly, in the business of the producer, refiner, distributor, transporter, or vendor, and which gives such producer, refiner, distributor, transporter, or vendor an advantage or an opportunity to obtain an advantage over competitors who do not know or use it.

Sec. 27. Section 81-1607.01, Reissue Revised Statutes of Nebraska, is amended to read:

81-1607.01 The State Energy Cash Fund is hereby created. The fund shall consist of funds received pursuant to section 57-705. The fund shall be used for the administration of subdivisions (35) through (58) of section 81-1504 and sections 81-1604 to 81-1606, for energy conservation activities, and for providing technical assistance to communities in the area of natural gas other than assistance regarding ownership of regulated utilities, except that transfers may be made from the fund to the General Fund at the direction of the Legislature. Any money in the State Energy Cash Fund available for investment shall be invested by the state investment officer pursuant to the Nebraska

Capital Expansion Act and the Nebraska State Funds Investment Act. The State Treasurer shall transfer any money in the State Energy Office Cash Fund to the State Energy Cash Fund on July 1, 2019.

Sec. 28. Section 83-184.01, Reissue Revised Statutes of Nebraska, is amended to read:

83-184.01 (1) The department, in consultation with the State Court Administrator, shall adopt and promulgate rules and regulations to provide an effective process for the transfer of funds for the purpose of satisfying restitution orders.

(2) A sentencing order requiring an inmate to pay restitution shall be treated as a court order authorizing the department to withhold and transfer funds for the purpose of satisfying a restitution order.

(3) This section applies to funds in the wage fund of any inmate confined in a correctional facility on or after August 30, 2015.

Sec. 29. Section 83-1,100.03, Reissue Revised Statutes of Nebraska, is amended to read:

83-1,100.03 (1) The board, in consultation with the department, shall adopt and promulgate rules and regulations to reduce the number of inmates under the custody of the department who serve their entire sentence in a correctional facility and are released without supervision. The rules and regulations shall establish clear guidelines and procedures to ensure that each parolee is subject to a minimum of nine months of supervision and shall place priority on providing supervision lengths that enable meaningful transition periods for all offenders. The rules and regulations shall ensure that each inmate eligible for parole is assessed for risk of reoffending using a validated risk and needs assessment provided by the department and shall incorporate into the release decision an inmate's assessed risk of reoffending, past criminal history, program completion, institutional conduct, and other individual characteristics related to the likelihood of reoffending into parole release decisions.

(2) The department, in consultation with the board, shall maintain a list

of individuals who are eligible for parole but are expected to complete their entire sentence in the custody of the department and be released with no supervision. This list shall be used to facilitate the placement of committed offenders in community work release and reentry centers under the Community Work Release and Reentry Centers Act.

Sec. 30. Section 83-227.01, Reissue Revised Statutes of Nebraska, is amended to read:

83-227.01 The Department of Health and Human Services is authorized to utilize space which is temporarily surplus to the needs of the Lincoln Regional Center and the Norfolk Regional Center facilities under their jurisdiction for patients committed to or lawfully confined in the Beatrice State Developmental Center. Patients so transferred to the Lincoln Regional Center or the Norfolk Regional Center shall be housed in facilities separate and apart from facilities used to house patients committed to such hospital, and after their transfer such patients shall receive the same type of care, custody, and treatment as they would have received had they remained at the Beatrice State Developmental Center, and the charges for their care and maintenance shall be the same as though they were housed at the Beatrice State Developmental Center, and the charges shall be collected in the manner provided in this section and sections 83-227.02, 83-350, and 83-363 to 83-379.

Sec. 31. Section 83-227.02, Reissue Revised Statutes of Nebraska, is amended to read:

83-227.02 (1) The Department of Health and Human Services is authorized to use space which is temporarily surplus to the needs of any institution under its control, except as provided in subsection (2) of this section, for the care, custody, and treatment of the inmates of any other such institution when space at such latter institution is inadequate and the facilities of the institution to which transfer is made are suitable to the needs of the inmate. Inmates so transferred shall receive the same care, custody, and treatment as they would have received had they not been transferred. If the cost of the care, custody, and treatment of such inmate is recoverable by the institution

from which the transfer was made, it shall be recovered in the manner provided in sections 83-363 to 83-379.

(2) Subsection (1) of this section shall not be construed to permit the transfer of inmates to or from any Department of Correctional Services facility unless expressly authorized by law.

Sec. 32. Section 83-363, Reissue Revised Statutes of Nebraska, is amended to read:

83-363 As used in sections 83-227.01, 83-227.02, 83-350, and 83-363 to 83-379, unless the context otherwise requires:

(1) Department means the Department of Health and Human Services;

(2) State institution means the state hospitals at Lincoln and Norfolk, the Beatrice State Developmental Center, and such other institutions as may hereafter be established by the Legislature for the care and treatment of persons with a mental disorder or persons with an intellectual disability;

(3) Relative means the spouse of a patient or, if the patient has no spouse and is under the age of majority at the time he or she is admitted, the parents of a patient in a state institution; and

(4) Parents means either or both of a patient's natural parents unless such patient has been legally adopted by other parents, in which case parents means either or both of the adoptive parents.

Sec. 33. Section 83-364, Reissue Revised Statutes of Nebraska, is amended to read:

83-364 When any person is admitted to a state institution or other inpatient treatment facility pursuant to an order of a mental health board under the Nebraska Mental Health Commitment Act or the Sex Offender Commitment Act or receives treatment prescribed by such institution or facility following release or without being admitted as a resident patient, the patient and the patient's relatives shall be liable for the cost of the care, support, maintenance, and treatment of such person to the extent and in the manner provided by sections 83-227.01, 83-227.02, 83-350, and 83-363 to 83-379. Such sections also shall apply to persons admitted to a state institution as

transferees from any state penal institution or youth rehabilitation and treatment center but only after the expiration of the time for which the transferees were originally sentenced or committed.

Sec. 34. Section 83-367, Reissue Revised Statutes of Nebraska, is amended to read:

83-367 The liability of each relative, except a spouse, shall cease when relatives shall have completed payments assessed pursuant to sections 83-227.01, 83-227.02, 83-350, and 83-363 to 83-379 for one hundred eighty months, or when the patient attains the age of majority, whichever shall occur first.

Sec. 35. Section 83-370, Reissue Revised Statutes of Nebraska, is amended to read:

83-370 When any relative willfully fails to furnish to the department, upon request, the information required by sections 83-227.01, 83-227.02, 83-350, and 83-363 to 83-379 as to his or her taxable income, such relative shall be deemed to have ability to pay the entire cost determined under sections 83-227.01, 83-227.02, 83-350, and 83-363 to 83-379.

Sec. 36. Section 83-371, Reissue Revised Statutes of Nebraska, is amended to read:

83-371 Pursuant to the provisions of the Administrative Procedure Act, the department shall adopt and promulgate appropriate rules and regulations for making the determinations required by sections 83-227.01, 83-227.02, 83-350, and 83-363 to 83-379.

Sec. 37. Section 83-375, Reissue Revised Statutes of Nebraska, is amended to read:

83-375 When any patient or relative fails to pay the amounts determined to be due under sections 83-227.01, 83-227.02, 83-350, and 83-363 to 83-379, the State of Nebraska may proceed against such person in the manner authorized by law for the recovery of money owed to a creditor. The Attorney General shall represent the state in such actions, but may authorize the county attorney for the county in which such person resides or owns property to investigate and

prosecute the action on behalf of the state.

Sec. 38. Section 83-377, Reissue Revised Statutes of Nebraska, is amended to read:

83-377 In all cases in which a guardian has been named for any person liable for payments under sections 83-227.01, 83-227.02, 83-350, and 83-363 to 83-379, the guardian shall represent such person in all matters arising under sections 83-227.01, 83-227.02, 83-350, and 83-363 to 83-379 and shall be liable in the same manner as he or she would be on any other matters arising from the guardianship.

Sec. 39. Section 83-378, Reissue Revised Statutes of Nebraska, is amended to read:

83-378 No person shall be liable for the cost of the care, support, maintenance, and treatment of any patient except as provided in sections 83-363 to 83-379, but the amounts determined to be due and unpaid at the time of the death of a patient or relative shall constitute a claim against the estate of such patient or relative. The department may accept voluntary payments on behalf of any patient from any person who is not liable for payments.

Sec. 40. Section 83-379, Reissue Revised Statutes of Nebraska, is amended to read:

83-379 In the absence of fraud, a patient and the patient's relatives shall be liable only to the extent of assessments actually made against them respectively, in accordance with sections 83-227.01, 83-227.02, 83-350, and 83-363 to 83-379. For the purposes of sections 83-227.01, 83-227.02, 83-350, and 83-363 to 83-379, it shall be deemed fraudulent for any patient or the patient's relatives to transfer any assets or property to another person for the purpose of affecting the determination of ability to pay. When it is determined that such a fraudulent transfer has been made, the department shall consider the value of such assets or property transferred in determining the ability to pay under section 83-368 or 83-369.

Sec. 41. Section 83-380.01, Reissue Revised Statutes of Nebraska, is amended to read:

83-380.01 Upon the discharge from a treatment facility, an indigent person who has received mental-health-board-ordered treatment may file an affidavit with the Department of Health and Human Services or the mental health board requesting that prescription medicine which the regional center treating psychiatrist or the patient's treating physician has prescribed as necessary for the patient's mental health treatment be provided to him or her. Such affidavit shall include the following: (1) That the patient qualifies as an indigent person who is unable to pay under the same standards of ability to pay as set forth in sections 83-363 to 83-379; and (2) that such prescription medicine has been prescribed by the regional center's treatment psychiatrist or the patient's treating physician as necessary for the patient's mental health treatment. The mental health board shall refer such requests it receives to the Department of Health and Human Services and the department shall provide such prescription medicine as may be necessary for such former patient's mental health treatment so long as he or she remains an outpatient and his or her treating physician continues to prescribe and certify that such prescription medicine is necessary for the patient's mental health treatment and he or she continues to be an indigent person as determined under the same standards of ability to pay as set forth in sections 83-363 to 83-379. The Department of Health and Human Services may adopt and promulgate rules and regulations to carry out the provisions of this section in accordance with the Administrative Procedure Act, including, but not limited to, hearings necessary to determine whether such person is qualified to receive such medications and whether such medication is necessary for the patient's mental health treatment.

Sec. 42. Section 83-918, Reissue Revised Statutes of Nebraska, is amended to read:

83-918 (1) For each biennium, the Department of Correctional Services shall, as part of the appropriations request process pursuant to subsection (1) of section 81-132, include a strategic plan that identifies the main purpose or purposes of each program, verifiable and auditable key goals that the department believes are fair measures of its progress in meeting each program's

main purpose or purposes, and benchmarks for improving performance on the key goals. The department shall also report whether the benchmarks are being met and, if not, the expected timeframes for meeting them.

(2) On or before July 1 of each year, the Department of Correctional Services shall report electronically to the Judiciary Committee of the Legislature and the Appropriations Committee of the Legislature on the progress towards the key goals identified pursuant to this section that occurred in the previous twelve months. Upon request, the department shall appear at a joint hearing of the Judiciary Committee and Appropriations Committee and present the report.

Sec. 43. Section 83-963, Reissue Revised Statutes of Nebraska, is amended to read:

83-963 (1) The department shall prepare an annual report on committed offenders who are paroled or granted controlled release pursuant to the Correctional System Overcrowding Emergency Act for each year the department is operating under an overcrowding emergency as defined in section 83-962. The report shall summarize each such former committed offender's behavior since parole and generally evaluate his or her success or lack of success in becoming a law-abiding member of society. The annual report shall be filed electronically with the Executive Board of the Legislative Council on or before February 1, with the first such report submitted by February 1 of the first year that committed offenders are paroled pursuant to the act. A notice of the filing of the report shall be submitted electronically to each member of the Legislature when the annual report is filed with the Executive Board.

(2) By February 1 of each year, the board and the department shall electronically submit a report to the Legislature, the Supreme Court, and the Governor. The report shall:

(a) Describe the percentage of offenders sentenced to the custody of the department who complete their entire sentence and are released with no supervision;

(b) Document characteristics of the individuals released without

supervision, including the highest felony class of conviction, offense type of conviction, most recent risk assessment, status of the individualized release or reentry plan, and reasons for the release without supervision;

(c) Provide recommendations from the department and board for changes to policy and practice to meet the goal of achieving a reduction in the number of inmates under the custody of the department who serve their entire sentence in a correctional facility and are released without supervision; and

(d) Contain information regarding:

(i) The number of inmates eligible for parole who remain incarcerated, disaggregated by the reason for such status;

(ii) Revocations of parole during the preceding year, disaggregated by the reason for revocation;

(iii) Hearings to grant or revoke parole conducted in the preceding year;

(iv) Rehabilitation and recidivism of parolees;

(v) Cost savings to the state resulting from individuals being paroled rather than incarcerated; and

(vi) Other matters the director deems appropriate.

Sec. 44. Section 86-1301, Reissue Revised Statutes of Nebraska, is amended to read:

86-1301 Sections 86-1301 to 86-1312 shall be known and may be cited as the Nebraska Broadband Bridge Act.

Sec. 45. Original sections 44-1412, 48-683, 54-2428, 71-1131, 77-383, 77-385, 77-27,238, 77-6307, 81-125, 81-1354.01, 81-1378, 81-1504.01, 81-1505.04, 81-1607.01, 83-184.01, 83-1,100.03, 83-227.01, 83-227.02, 83-363, 83-364, 83-367, 83-370, 83-371, 83-375, 83-377, 83-378, 83-379, 83-380.01, 83-918, 83-963, and 86-1301, Reissue Revised Statutes of Nebraska, sections 73-815, 77-6521, 77-6604, 77-6610, 77-6837, and 77-6928, Revised Statutes Cumulative Supplement, 2024, and sections 61-218, 70-1003, 81-1113, 81-1139.02, 81-1430, 81-15,175, and 81-1606, Revised Statutes Supplement, 2025, are repealed.

Sec. 46. The following sections are outright repealed: Sections 48-2909,

54-642, 77-6309, 81-1205, 81-1346, 81-1347, 81-1347.01, 81-1350, 81-1351, 81-1352, 81-1353, 81-1354, 81-1384, 83-380, and 86-1313, Reissue Revised Statutes of Nebraska, section 39-1392, Revised Statutes Cumulative Supplement, 2024, and sections 81-1348 and 81-1607, Revised Statutes Supplement, 2025.

PRESIDENT OF THE LEGISLATURE

THIS IS TO CERTIFY that the within LB 1048 was passed by the One Hundred Ninth Legislature of Nebraska at its Second Session on the day of 20.....

CLERK OF THE LEGISLATURE

Approved:

..... 20....., o'clockM.

GOVERNOR