

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2025-26		FY 2026-27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		See below		See below

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB 264 is a component of the Governor’s 2025-27 Biennium Budget recommendation. The bill transfers funds, amends fund statutes, amends program language related to certain acts, and outright repeals several provisions.

The bill contains the following transfers between funds:

Sec.	From Fund	To Fund	Amount
1	Military Installation Development & Support Fund	Site & Building Development Fund	25,500,000
2	Water Recreation Enhancement Fund	General Fund	65,000,000
3	Economic Development Cash Fund	General Fund	Remaining balance
4	Intern NE Cash	General Fund	Remaining balance
5	Economic Recovery Cash	General Fund	10,000,000
6	Affordable Housing Trust	General Fund	8,000,000
7	JEDI	General Fund	6,000,000
8	Vehicle Title & Registration System Replacement	General Fund	5,500,000
9	State Recreation Road Fund	State Park Cash	5,000,000
10	Nebraska Opportunity Grant Fund	Education Future Fund	5,000,000
11	State Visitors Promotion	General Fund	4,000,000
12	Motor Carrier Services System Replacement	General Fund	4,000,000
13	Early Childhood Education Endowment Cash	Education Future Fund	3,250,000
14	Community College Gap Assistance Program Fund	Education Future Fund	3,000,000
15	Financial Institution Assessment	General Fund	3,000,000
16	Customized Job Training Cash	General Fund	Remaining balance
17	Dept of Revenue Enforcement	General Fund	2,000,000
18	NE Education Improvement Fund	Education Future Fund	1,700,000
19	Training & Support Fund	General Fund	1,750,000
20	Employment Security Admin	General Fund	1,500,000
21	Workforce Dev Program	General Fund	1,000,000
22	Certification Fund	Education Future Fund	1,000,000
23	Unclaimed Property Trust	General Fund	1,000,000
24	Records Management Cash	General Fund	1,000,000
25	Job Training Cash	General Fund	Remaining balance
26	DMV Ignition Interlock	General Fund	500,000
27	Treasury Management Cash	General Fund	500,000
28	Engineers and Architects Fund	General Fund	400,000
29	Tuition Recovery Cash	Education Future Fund	300,000
30	Marijuana & Controlled Substances Tax Admin	Property Assessment Cash	250,000
31	Early Childhood Program Training	Education Future Fund	250,000
32	Banking & Finance Settlement Cash	General Fund	1,000,000
33	PSC Regulation Cash	General Fund	250,000
34	Nuclear & Hydrogen Dev Fund	General Fund	Remaining balance
35	Private Postsecondary Career Schools Cash	Education Future Fund	200,000

36	Sector Partnership Fund	General Fund	200,000
37	Real Property Appraisers Cash	General Fund	200,000
38	NE Job Creation & Mainstreet Revitalization	General Fund	150,000
39	NDE Cash	Education Future Fund	800,000
40	Appraisal Management Company Fund	General Fund	150,000
41	NE Statute Cash	General Fund	100,000
42	Historical Society Fund	General Fund	100,000
43	Contractor & PEO Fund	General Fund	100,000
44	Support NE History Cash	General Fund	38,000
45	PSC Pipeline Regulation Fund	General Fund	26,243
46	211 Cash Fund	General Fund	25,000
47	Lead-Based Paint	General Fund	Remaining balance
48	Biotechnology Fund	General Fund	Remaining balance
49	DOR Miscellaneous Receipts	General Fund	Remaining balance
50	NE Competitive Telephone Marketplace	General Fund	Remaining balance
51	NE Leg Shared Information Cash	General Fund	76,156
52	DHHS Cash	General Fund	354,000
53	General Fund	Cultural Pres Endow	1,000,000
54	General Fund	Cultural Pres Endow	1,000,000
55	Dept of Revenue Enforcement	General Fund	2,000,000
56	Charitable Gaming Operations	General Fund	500,000
57	Charitable Gaming Operations	General Fund	500,000
58	Lead Service Line	General Fund	Remaining balance
59	Vehicle Title & Registration System Replacement	General Fund	1,500,000
60	Motor Carrier Services System Replacement	General Fund	1,000,000
61	DMV Ignition Interlock	General Fund	250,000
62	Expanded Learning Opportunity Fund	Education Future Fund	250,000
63	Motor Carrier Services System Replacement	DMV Cash	3,000,000
64	Motor Carrier Services System Replacement	DMV Cash	3,000,000
65	DMV Cash	Operators' License Services	7,500,000
66	DMV Cash	Operators' License Services	6,000,000

Other sections contained in the bill amend fund language and program language related to several programs. Section 136 outright repeals:

- The Broadband Bridge Act;
- The Resilient Soils and Water Quality Act;
- The Nebraska Geologic Storage of Carbon Dioxide Act;
- Section 68-1010 that creates a pilot program for patients with complex health needs from acute care to post-acute care settings;
- The Prescription Drug Donation Program Act;
- The Nebraska Nonprofit Security Grant Program Act; the Small Business Assistance Act; and
- Section 84-622 and 81-12,244 relating to transfers of interest earnings to the Economic Recovery Contingency Cash Fund, Museum Construction and Maintenance Fund, and the Inland Port Authority Fund.

A listing by section of provisions not listed in the table for specific transfers between funds is as follows:

Section	Proposed change
67	Amend Financial Institution Assessment Cash to allow transfers to General Fund
68	Amend Inland Port Authority Fund to credit interest to General Fund July 1, 2025
69	Amend 29-1823 to strike requirements to reimburse for costs of defendants for lodging and medical
70	Amend Water Recreation Enhancement Fund permitted uses to include campground expansion, road repair, maintenance
71	Amend Early Childhood Program Training Fund to allow transfers to EFF
72	Amend Employment Security Administration Fund to allow transfers to General Fund
73	Amend Sector Partnership Fund to allow transfers to General Fund
74	Amend Biotechnology Dev Cash Fund to allow transfers to General Fund
75	Amend Military Installation Dev Fund to allow transfers to the General Fund
76	Amend PSC Pipeline Regulation Fund to allow transfers to the General Fund
77	Amend Motor Carrier Services System Replacement Fund to allow transfers to the General Fund
78	Amend Vehicle Title Fund to allow transfers to the General Fund
79	Amend DMV Cash to allow transfers to Operators' License Services Fund
80	Amend permitted uses of Water Resources Cash Fund and language relating to grants

- 81 Amend Perkins County Canal Fund to credit interest to General Fund July 1, 2025
- 82 Amend JEDI Fund to allow transfers to the General Fund
- 83 Amend Nuclear & Hydrogen Dev Fund to allow transfers to the General Fund
- 84 Amend 68-911 to strike Medicaid program language for translator services
- 85 Strike permitted use of Medicaid Managed Care Excess Profit Fund
- 86 Amend Lead Service Line Fund to allow transfers to the General Fund
- 87 Amend NCCF to remove interest transfers
- 88 Amend Ferguson House Fund to be administered by DAS
- 89 Remove Broadband Bridge program from PSC authority
- 90 Amend 211 Cash Fund to allow transfers to General Fund
- 91 Amend Appraisal Management Company Cash Fund to allow transfers to General Fund
- 92 Amend Job Creation & Mainstreet Revitalization Cash Fund to allow transfers to General Fund
- 93 Increase transfer from Tobacco Products Cash from \$9 million to \$10 million in FY26
- 94 Authorize transfers from Marijuana and Controlled Substances Tax Admin to Property Tax Assessment
- 95 Change sunset date of tax credits under the Urban Redevelopment Act
- 96 Change reporting requirements under the Urban Redevelopment Act
- 97 Transfer \$780 million from General Fund to School District Property Tax Fund in FY26 and \$808 million in FY27
- 98 Amend Certification Fund to allow transfers to EFF
- 99 Amend EFF to transfer \$370 million from General Fund in FY26 and \$385 million in FY27 and intent thereafter
- 100 Amend Early Childhood Endowment Cash Fund to allow transfers to the EFF
- 101 Amend NDE Cash Fund to allow transfers to the EFF
- 102 Amend Expanded Learning Opportunity Grant Fund to allow transfers to the EFF
- 103 Amend Education Improvement Fund to allow transfers to the EFF
- 104 Amend Banking & Finance Settlement Fund to allow transfers to the General Fund
- 105 Amend Workforce Dev Fund to allow transfers to the General Fund
- 106 Amend Intern NE Fund to allow transfers to the General Fund
- 107 Amend Lead-Based Paint Fund to allow transfers to the General Fund
- 108 Amend Economic Development Cash Fund to allow transfers to the General Fund
- 109 Amend Customized Job Training Fund to allow transfers to the General Fund
- 110 Amend Rural Workforce Housing Fund to allow transfers to the General Fund
- 111 Amend Transformational Projects Act to change matching requirements
- 112 Amend Transformational Projects Act to change qualified location
- 113 Amend Transformational Projects Act to change application requirements
- 114 Amend Transformational Projects Act to clarify state funds
- 115 Amend Transformational Projects Act to change matching requirements
- 116 Amend Transformational Projects Act to change matching requirements
- 117 Amend Transformational Projects Fund language
- 118 Amend Economic Recovery Contingency Fund to allow transfers to the General Fund, credit interest to General Fund July 1, 2025, strike transfers to Museum Fund
- 119 Strike language related to Broadband Bridge in relation to ARPA Capital Projects Funds
- 120 Change purposes of NE Environmental Trust Act
- 121 Authorize transfers of lottery revenue from NE Environmental Trust
- 122 Strike grant language for NE Environmental Trust Act
- 123 Amend Support NE History Fund to allow transfers to the General Fund
- 124 Amend Cash Reserve Fund transfers
- 125 Amend Private Postsecondary Career Schools Fund to allow transfers to the EFF
- 126 Amend Tuition Recovery Fund to allow transfers to the EFF
- 127 Amend NOG Fund to allow transfers to the EFF

- 128 Amend Gap Assistance Fund to allow transfers to the EFF
- 129 Amend Universal Services Fund to credit interest to General Fund July 1, 2025 and eliminate 211 cash fund transfers
- 130 Amend Broadband Office statute to eliminate reference to Broadband Bridge
- 131 Amend 911 Service System Fund to credit interest to General Fund July 1, 2025
- 132 Amend statute related to Precision Ag program
- 133 Operative date
- 134 Repealer
- 135 Repealer
- 136 Outright repeal
- 137 Emergency Clause

The fiscal impact of many of these provisions relating to amending certain funds and/or acts is related to the transfer of funds between different funds. Any appropriation impact is contained within the Governor's recommendation in LB 261. The following link provides details of the Governor's recommendation for budget recommendation: <https://das.nebraska.gov/budget/publications/docs/2025-2027/2025/ExecutiveBudgetinBrief2025-2027Biennium.pdf>.

The Department of Revenue estimates the General Fund revenue gain from the provisions of section 95, which sunsets applications under the Urban Redevelopment Act to be \$41,000 in FY2025-26 and \$101,000 in FY2026-27. There is no basis to disagree with this estimate.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 264	AM:	AGENCY/POLT. SUB: Department of Revenue	
REVIEWED BY:	Jacob Leaver	DATE:	2/12/2025
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COMMENTS: Concur with the Department of Revenue's estimated fiscal impact as a result of LB 264.			

