

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 722

FINAL READING

Introduced by Quick, 35.

Read first time January 07, 2026

Committee: Health and Human Services

- 1 A BILL FOR AN ACT relating to behavioral health services; to amend
- 2 section 71-812, Revised Statutes Supplement, 2025; to allow use of
- 3 the Behavioral Health Services Fund for individuals with substance
- 4 use disorder as prescribed; to define and redefine terms; and to
- 5 repeal the original section.
- 6 Be it enacted by the people of the State of Nebraska,

1 **Section 1.** Section 71-812, Revised Statutes Supplement, 2025, is
2 amended to read:

3 71-812 (1) The Behavioral Health Services Fund is created. The fund
4 shall be administered by the division and shall contain cash funds
5 appropriated by the Legislature or otherwise received by the department
6 for the provision of behavioral health services from any other public or
7 private source and directed by the Legislature for credit to the fund.
8 Transfers may be made from the fund to the General Fund at the direction
9 of the Legislature.

10 (2) The Behavioral Health Services Fund shall be used to encourage
11 and facilitate the statewide development and provision of community-based
12 behavioral health services, including, but not limited to, (a) the
13 provision of grants, loans, and other assistance for such purpose and (b)
14 reimbursement to providers of such services.

15 (3)(a) Money transferred to the fund under section 76-903 shall be
16 used for housing-related assistance for very low-income adults with
17 serious mental illness or substance abuse disorder, except that if the
18 division determines that all housing-related assistance obligations under
19 this subsection have been fully satisfied, the division may distribute
20 any excess, up to twenty percent of such money, to regional behavioral
21 health authorities for acquisition or rehabilitation of housing to assist
22 such individuals ~~persons~~. The division shall manage and distribute such
23 funds based upon a formula established by the division, in consultation
24 with regional behavioral health authorities and the department, in a
25 manner consistent with and reasonably calculated to promote the purposes
26 of the public behavioral health system enumerated in section 71-803. The
27 division shall contract with each regional behavioral health authority
28 for the provision of such assistance. Each regional behavioral health
29 authority may contract with qualifying public, private, or nonprofit
30 entities for the provision of such assistance.

31 (b) For purposes of this subsection:

1 (i) Adult with serious mental illness means an individual ~~a person~~
2 eighteen years of age or older who has, or at any time during the
3 immediately preceding twelve months has had, a diagnosable mental,
4 behavioral, or emotional disorder of sufficient duration to meet
5 diagnostic criteria identified in the most recent edition of the
6 Diagnostic and Statistical Manual of Mental Disorders and which has
7 resulted in functional impairment that substantially interferes with, or
8 limits, one or more major life functions. Serious mental illness does not
9 include a diagnosis with a DSM v-code ~~V-codes~~, a substance abuse disorder
10 ~~disorders~~, or a developmental disability ~~disabilities~~ unless such
11 conditions exist concurrently with a diagnosable serious mental illness;

12 (ii) Housing-related assistance includes rental payments, utility
13 payments, security and utility deposits, landlord risk mitigation
14 payments, and other related costs and payments;

15 (iii) Landlord risk mitigation payment means a payment provided to a
16 landlord who leases or rents property to a very low-income adult with
17 serious mental illness or substance use disorder which may be used to pay
18 for excessive damage to the rental property, any lost rent, any legal
19 fees incurred by the landlord in excess of the security deposit, or any
20 other expenses incurred by the landlord as a result of leasing or renting
21 the property to such individual; ~~and~~

22 (iv) Substance use disorder has the same meaning as defined in
23 section 71-430; and

24 (v) (iv) Very low-income means a household income of fifty percent
25 or less of the applicable median family income estimate as established by
26 the United States Department of Housing and Urban Development.

27 (4) Any money in the fund available for investment shall be invested
28 by the state investment officer pursuant to the Nebraska Capital
29 Expansion Act and the Nebraska State Funds Investment Act.

30 **Sec. 2.** Original section 71-812, Revised Statutes Supplement, 2025,
31 is repealed.