

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1125

Introduced by Sorrentino, 39.

Read first time January 20, 2026

Committee: Executive Board

1 A BILL FOR AN ACT relating to the University of Nebraska; to amend
2 section 85-422, Reissue Revised Statutes of Nebraska; to require
3 legislative approval of certain contracts as prescribed; to restrict
4 ownership of certain facilities as prescribed; to repeal the
5 original section; and to declare an emergency.
6 Be it enacted by the people of the State of Nebraska,

1 **Section 1.** Section 85-422, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 85-422 (1) In order to accomplish any projects authorized by section
4 85-421, the Board of Regents of the University of Nebraska may enter into
5 contracts with any person, firm, or corporation providing for the
6 implementation of any such project of the University of Nebraska and
7 providing for the long-term payment of the cost of such project from the
8 University of Nebraska Facilities Program. In no case shall any such
9 contract extend for a period beyond December 31, 2063, nor shall any such
10 contract exceed the repayment capabilities implicit in the funding
11 streams authorized in sections 85-419 to 85-422.

12 (2) The Board of Regents of the University of Nebraska shall not
13 pledge the credit of the State of Nebraska for the payment of any sum
14 owing on account of such contract, except that there may be pledged for
15 the payment of any such contract any appropriation specifically made by
16 the Legislature for such purpose, together with such funds of the Board
17 of Regents of the University of Nebraska as the board determines. No
18 contract shall be entered into pursuant to this section without prior
19 approval by the Board of Regents. The Board of Regents may also convey,
20 lease, or lease back all or any part of the projects authorized by
21 section 85-421 and the land on which such projects are situated to such
22 person, firm, or corporation as the Board of Regents may contract with
23 pursuant to this section to facilitate the long-term payment of the cost
24 of such projects. Any such conveyance or lease shall provide that when
25 the cost of such projects has been paid, together with interest and other
26 costs thereon, such projects and the land on which such projects are
27 located shall become the property of the Board of Regents.

28 (3) The Board of Regents of the University of Nebraska is authorized
29 to make expenditures for the purposes stated in this section and section
30 85-421 from investment income balances in any fund created under the
31 authority provided for in any contract or contracts authorized by this

1 section. Any balance existing in the University of Nebraska Facilities
2 Program, whether from appropriations or the designated amounts identified
3 in section 85-419, in excess of amounts required to meet debt service and
4 any interest thereon for any related financing contract, and excluding
5 amounts on deposit in the trust fund established pursuant to subsection
6 (7) of section 85-421, shall be distributed proportionally between the
7 Board of Regents and the Department of Administrative Services as to the
8 total amount contributed to the program by the Board of Regents pursuant
9 to section 85-419 and by the state, beginning in the fiscal year
10 commencing July 1, 2009, through and including the fiscal year ending
11 June 30, 2062, on December 31, 2063, or when all financial obligations
12 incurred in the contracts entered into by the Board of Regents pursuant
13 to this section are discharged, whichever occurs first.

14 (4) Any contract by the University of Nebraska to acquire, directly
15 or indirectly and whether alone or when combined with other interests
16 already possessed, a controlling interest or sole interest in any
17 hospital or health care facility valued at over one hundred million
18 dollars shall be subject to prior approval by the Legislature and, if the
19 Legislature is not in session, the Executive Board of the Legislative
20 Council.

21 (5) No hospital or academic health center which serves as the
22 primary affiliate of one or more of the colleges of the University of
23 Nebraska Medical Center may be owned or controlled, directly or
24 indirectly, in whole or in part, by a for-profit entity or an out-of-
25 state entity unless the Attorney General determines that ownership or
26 control by a for-profit entity or an out-of-state entity is in the public
27 interest. Any determination under this section must be made in
28 consultation with the Board of Regents of the University of Nebraska.

29 **Sec. 2.** Original section 85-422, Reissue Revised Statutes of
30 Nebraska, is repealed.

31 **Sec. 3.** Since an emergency exists, this act takes effect when

1 passed and approved according to law.