

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1155

Introduced by Dorn, 30; Arch, 14; Bosn, 25; Cavanaugh, M., 6; Clements, 2; Hansen, 16; Hardin, 48; Jacobson, 42; Riepe, 12.

Read first time January 20, 2026

Committee: Executive Board

1 A BILL FOR AN ACT relating to legislative oversight; to amend sections
2 43-2,108, 50-1205, 50-1803, 50-1805, 50-1812, 50-1912, 50-1918,
3 77-2711, 77-27,119, and 83-4,134.01, Revised Statutes Supplement,
4 2025; to change provisions relating to access to records of juvenile
5 probation officers and an annual report under the Legislative
6 Performance Audit Act; to change provisions of the Office of
7 Inspector General of Nebraska Child Welfare Act and the Office of
8 Inspector General of the Nebraska Correctional System Act; to change
9 provisions relating to audits involving tax information and room
10 confinement of a juvenile in a juvenile facility; to harmonize
11 provisions; and to repeal the original sections.
12 Be it enacted by the people of the State of Nebraska,

1 **Section 1.** Section 43-2,108, Revised Statutes Supplement, 2025, is
2 amended to read:

3 43-2,108 (1) The juvenile court judge shall keep a record of all
4 proceedings of the court in each case, including appearances, findings,
5 orders, decrees, and judgments, and any evidence which he or she feels it
6 is necessary and proper to record. The case file shall contain the
7 complaint or petition and subsequent pleadings. The case file may be
8 maintained as an electronic document through the court's electronic case
9 management system, on microfilm, or in a paper volume and disposed of
10 when determined by the State Records Administrator pursuant to the
11 Records Management Act.

12 (2) Except as provided in subsections (3) and (4) of this section,
13 the medical, psychological, psychiatric, and social welfare reports and
14 the records of juvenile probation officers, as they relate to individual
15 proceedings in the juvenile court, shall not be open to inspection,
16 without order of the court. Such records shall be made available to a
17 district court of this state or the District Court of the United States
18 on the order of a judge thereof for the confidential use of such judge or
19 his or her probation officer as to matters pending before such court but
20 shall not be made available to parties or their counsel; and such
21 district court records shall be made available to a county court or
22 separate juvenile court upon request of the county judge or separate
23 juvenile judge for the confidential use of such judge and his or her
24 probation officer as to matters pending before such court, but shall not
25 be made available by such judge to the parties or their counsel.

26 (3) As used in this section, confidential record information means
27 all docket records, other than the pleadings, orders, decrees, and
28 judgments; case files and records; reports and records of probation
29 officers; and information supplied to the court of jurisdiction in such
30 cases by any individual or any public or private institution, agency,
31 facility, or clinic, which is compiled by, produced by, and in the

1 possession of any court. In all cases under subdivision (3)(a) of section
2 43-247, access to all confidential record information in such cases shall
3 be granted only as follows: (a) The court of jurisdiction may, subject to
4 applicable federal and state regulations, disseminate such confidential
5 record information to any individual, or public or private agency,
6 institution, facility, or clinic which is providing services directly to
7 the juvenile and such juvenile's parents or guardian and his or her
8 immediate family who are the subject of such record information; (b) the
9 court of jurisdiction may disseminate such confidential record
10 information, with the consent of persons who are subjects of such
11 information, or by order of such court after showing of good cause, to
12 any law enforcement agency upon such agency's specific request for such
13 agency's exclusive use in the investigation of any protective service
14 case or investigation of allegations under subdivision (3)(a) of section
15 43-247, regarding the juvenile or such juvenile's immediate family, who
16 are the subject of such investigation; and (c) the court of jurisdiction
17 may disseminate such confidential record information to any court, which
18 has jurisdiction of the juvenile who is the subject of such information
19 upon such court's request.

20 (4) The court shall provide copies of predispositional reports and
21 evaluations of the juvenile to the juvenile's attorney and the county
22 attorney or city attorney prior to any hearing in which the report or
23 evaluation will be relied upon.

24 (5) In all cases under sections 43-246.01 and 43-247, the office of
25 Inspector General of Nebraska Child Welfare may submit a written request
26 to the probation administrator for access to the records of juvenile
27 probation officers in a specific case. Upon a juvenile court order, the
28 records shall be provided to the Inspector General within five business
29 days for the exclusive use in an investigation pursuant to the Office of
30 Inspector General of Nebraska Child Welfare Act. Nothing in this
31 subsection shall prevent the notification of death or serious injury of a

1 juvenile to the Inspector General of Nebraska Child Welfare pursuant to
2 section 50-1806 as soon as reasonably possible after the Office of
3 Probation Administration learns of such death or serious injury.

4 (6) In all cases under sections 43-246.01 and 43-247, the juvenile
5 court shall disseminate confidential record information to the Foster
6 Care Review Office pursuant to the Foster Care Review Act.

7 (7) Nothing in subsections (3), (5), and (6) of this section shall
8 be construed to restrict the dissemination of confidential record
9 information between any individual or public or private agency,
10 institute, facility, or clinic, except any such confidential record
11 information disseminated by the court of jurisdiction pursuant to this
12 section shall be for the exclusive and private use of those to whom it
13 was released and shall not be disseminated further without order of such
14 court.

15 (8)(a) Any records concerning a juvenile court petition filed
16 pursuant to subdivision (3)(c) of section 43-247 shall remain
17 confidential except as may be provided otherwise by law. Such records
18 shall be accessible to (i) the juvenile except as provided in subdivision
19 (b) of this subsection, (ii) the juvenile's counsel, (iii) the juvenile's
20 parent or guardian, and (iv) persons authorized by an order of a judge or
21 court.

22 (b) Upon application by the county attorney or by the director of
23 the facility where the juvenile is placed and upon a showing of good
24 cause therefor, a judge of the juvenile court having jurisdiction over
25 the juvenile or of the county where the facility is located may order
26 that the records shall not be made available to the juvenile if, in the
27 judgment of the court, the availability of such records to the juvenile
28 will adversely affect the juvenile's mental state and the treatment
29 thereof.

30 (9) Nothing in subsection (3), (5), or (6) of this section shall be
31 construed to restrict the immediate dissemination of a current picture

1 and information about a child who is missing from a foster care or out-
2 of-home placement. Such dissemination by the Office of Probation
3 Administration shall be authorized by an order of a judge or court. Such
4 information shall be subject to state and federal confidentiality laws
5 and shall not include that the child is in the care, custody, or control
6 of the Department of Health and Human Services or under the supervision
7 of the Office of Probation Administration.

8 (10) Any juvenile court order that places a juvenile on electronic
9 monitoring shall also state that data from such electronic monitoring
10 device shall be made available to a designated law enforcement officer as
11 provided in this subsection. A law enforcement agency may designate law
12 enforcement officers who may receive such data. Upon a request by such an
13 officer or a law enforcement agency, the Office of Probation
14 Administration shall provide such officer or law enforcement agency with
15 access to the electronic monitoring database.

16 (11) For any juvenile subject to the supervision of a probation
17 officer, the Office of Probation Administration shall provide the
18 Nebraska Commission on Law Enforcement and Criminal Justice with the
19 following information: The name of the juvenile, the name and contact
20 information of the juvenile's parents or guardians, the name and contact
21 information of the juvenile's probation officer, any terms of probation
22 included in a juvenile court order, the placement of the juvenile if
23 placed out of home, whether the juvenile is a prohibited juvenile
24 offender under section 28-1204.05, search and seizure status, criminal
25 associations, and the school the juvenile is attending. The commission
26 shall provide access to such information to law enforcement agencies
27 through the state's criminal justice information system in a manner that
28 allows such information to be readily accessible through the main
29 interface of the system.

30 **Sec. 2.** Section 50-1205, Revised Statutes Supplement, 2025, is
31 amended to read:

1 50-1205 The committee shall:

2 (1) Adopt, by majority vote, procedures consistent with the
3 Legislative Performance Audit Act to govern the business of the committee
4 and the conduct of performance audits;

5 (2) Ensure that performance audits undertaken by the office are not
6 undertaken based on or influenced by special or partisan interests;

7 (3) Review performance audit requests and select, by majority vote,
8 agencies or agency programs for performance audit;

9 (4) Review, amend, if necessary, and approve a scope statement and
10 an audit plan for each performance audit;

11 (5) Respond to inquiries regarding performance audits;

12 (6) Inspect or approve the inspection of the premises, or any parts
13 thereof, of any agency or any property owned, leased, or operated by an
14 agency as frequently as is necessary in the opinion of the committee to
15 carry out a performance audit or preaudit inquiry;

16 (7) Inspect and examine, or approve the inspection and examination
17 of, the records and documents of any agency as a part of a performance
18 audit or preaudit inquiry;

19 (8) At the request of the Legislative Auditor, issue subpoenas,
20 enforceable by action in an appropriate court, to compel any person to
21 appear, give sworn testimony, or produce documentary or other evidence
22 deemed relevant to a performance audit as provided in section 50-1216;

23 (9) Review completed reports prepared by the office, together with
24 comments from the evaluated agency, and adopt recommendations and
25 incorporate them into an audit report;

26 (10) Release audit reports to the public and distribute them
27 electronically to the Clerk of the Legislature with or without benefit of
28 a public hearing;

29 (11) Hold public hearings, at the committee's discretion, for the
30 purpose of receiving testimony prior to issuance of audit reports;

31 (12) Establish a system to ascertain and monitor an agency's

1 implementation of the recommendations contained in audit reports and
2 compliance with any statutory changes resulting from the recommendations;

3 (13) Issue an annual report each September, to be prepared by the
4 Legislative Auditor and approved by the committee chairperson,
5 summarizing recommendations made pursuant to audit reports during the
6 previous fiscal year and the status of implementation of those
7 recommendations;

8 (14) Consult with the Director of Legislative Oversight and the
9 Legislative Auditor regarding the staffing and budgetary needs of the
10 office;

11 (15) Approve or reject, within the budgetary limits of the office,
12 contracts to retain consultants to assist with performance audits
13 requiring specialized knowledge or expertise. Requests for consultant
14 contracts shall be approved by the Legislative Auditor and presented to
15 the committee by the Legislative Auditor. A majority vote shall be
16 required to approve consultant contract requests. For purposes of section
17 50-1213, subsection (11) of section 77-2711, and subsections (10) through
18 (13) of section 77-27,119, any consultant retained to assist with a
19 performance audit or preaudit inquiry shall be considered an employee of
20 the office during the course of the contract; and

21 (16) At its discretion, and with the agreement of the Auditor of
22 Public Accounts, conduct joint fiscal or performance audits with the
23 Auditor of Public Accounts. The details of any joint audit shall be
24 agreed upon in writing by the committee and the Auditor of Public
25 Accounts.

26 **Sec. 3.** Section 50-1803, Revised Statutes Supplement, 2025, is
27 amended to read:

28 50-1803 (1) It is the intent of the Legislature that the Office of
29 Inspector General of Nebraska Child Welfare:

30 (a) Assist in improving operations of the Nebraska child welfare
31 system and juvenile justice system;

1 (b) Provide an independent form of inquiry for concerns regarding
2 the actions of individuals and agencies responsible for the care and
3 protection of children and youth in the Nebraska child welfare system and
4 juvenile justice system. Confusion of the roles, responsibilities, and
5 accountability structures between individuals, private contractors,
6 branches of government, and agencies in the current systems system make
7 it difficult for the Legislature to monitor and oversee the Nebraska
8 child welfare system and juvenile justice system; and

9 (c) Provide a process for investigation and review to determine if
10 individual complaints and issues of investigation and inquiry reveal a
11 problem in the child welfare system and juvenile justice system, not just
12 individual cases, that necessitates legislative action for improved
13 policies and restructuring of such systems the child welfare system.

14 (2) It is not the intent of the Legislature in enacting the Office
15 of Inspector General of Nebraska Child Welfare Act to interfere with the
16 duties of the Legislative Auditor or the Legislative Fiscal Analyst or to
17 interfere with the statutorily defined investigative responsibilities or
18 prerogatives of any officer, agency, board, bureau, commission,
19 association, society, or institution of the executive or judicial branch
20 of state government, except that the act does not preclude an inquiry on
21 the sole basis that another agency has the same responsibility. The act
22 shall not be construed to interfere with or supplant the responsibilities
23 or prerogatives of the Governor to investigate, monitor, and report on
24 the activities of the agencies, boards, bureaus, commissions,
25 associations, societies, and institutions of the executive branch under
26 the Governor's administrative direction.

27 **Sec. 4.** Section 50-1805, Revised Statutes Supplement, 2025, is
28 amended to read:

29 50-1805 (1) The office of Inspector General of Nebraska Child
30 Welfare is created within the Division of Legislative Oversight for the
31 purpose of conducting investigations, audits, inspections, and other

1 oversight of the Nebraska child welfare system and juvenile justice
2 system for the Legislature. The Inspector General shall be appointed by
3 the Director of Legislative Oversight with approval from the chairperson
4 of the Executive Board of the Legislative Council, the chairperson of the
5 Legislative Oversight Committee, and the chairperson of the Health and
6 Human Services Committee of the Legislature.

7 (2) The Inspector General shall be appointed for a term of five
8 years and may be reappointed. The Inspector General shall be selected
9 without regard to political affiliation and on the basis of integrity,
10 capability for strong leadership, and demonstrated ability in accounting,
11 auditing, financial analysis, law, management analysis, public
12 administration, investigation, or criminal justice administration or
13 other closely related fields. No former or current executive or manager
14 of the department may be appointed Inspector General within five years
15 after such former or current executive's or manager's period of service
16 with the department. Not later than two years after the date of
17 appointment, the Inspector General shall obtain certification as a
18 Certified Inspector General by the Association of Inspectors General, its
19 successor, or another nationally recognized organization that provides
20 and sponsors educational programs and establishes professional
21 qualifications, certifications, and licensing for inspectors general.
22 During the Inspector General's employment, the Inspector General shall
23 not be actively involved in partisan affairs.

24 (3) The Inspector General shall employ such investigators and
25 support staff as the Inspector General deems necessary to carry out the
26 duties of the office within the amount available by appropriation through
27 the Division of Legislative Oversight for the office of Inspector General
28 of Nebraska Child Welfare. The Inspector General shall be subject to the
29 control and supervision of the Director of Legislative Oversight, except
30 that removal of the Inspector General shall require approval of the
31 chairperson of the Legislative Oversight Committee. The Inspector General

1 may also be removed by a two-thirds majority vote of the Legislative
2 Oversight Committee.

3 **Sec. 5.** Section 50-1812, Revised Statutes Supplement, 2025, is
4 amended to read:

5 50-1812 (1) Reports of investigations conducted by the office shall
6 not be distributed beyond the entity that is the subject of the report
7 without the consent of the Inspector General.

8 (2) Except when a report is provided to a guardian ad litem or an
9 attorney in the juvenile court pursuant to subsection (2) of section
10 50-1814, the office shall redact confidential information before
11 distributing a report of an investigation.

12 (3) ~~The office may disclose confidential information to the~~
13 ~~chairperson of the Legislative Oversight Committee at the chairperson's~~
14 ~~request.~~ The office may also disclose confidential information to the
15 chairperson of the Legislative Oversight Committee, the chairperson of
16 the Executive Board of the Legislative Council, the chairperson of the
17 Health and Human Services Committee of the Legislature, or the
18 chairperson of the Judiciary Committee of the Legislature when such
19 disclosure is, in the judgment of the Inspector General and the Director
20 of Legislative Oversight, appropriate to keep the Legislature informed of
21 important events, issues, and developments in the Nebraska child welfare
22 system and juvenile justice system. Any confidential information shared
23 remains confidential and shall not be disclosed.

24 (4) The office may also disclose such confidential information to
25 the Legislative Oversight Committee when such disclosure is, in the
26 judgment of the chairperson of the Legislative Oversight Committee,
27 appropriate to keep the Legislature informed of important events, issues,
28 and developments in the Nebraska child welfare system and juvenile
29 justice system. Any confidential information shared remains confidential
30 and shall not be disclosed.

31 (5)(a) A summarized final report based on an investigation may be

1 publicly released in order to bring awareness to systemic issues.

2 (b) Such report shall be released only:

3 (i) After a disclosure is made to the chairperson of the Legislative
4 Oversight Committee pursuant to subsection (3) of this section; and

5 (ii) If a determination is made by the Inspector General with the
6 chairperson of the Legislative Oversight Committee that doing so would be
7 in the best interest of the public.

8 (c) If there is disagreement about whether releasing the report
9 would be in the best interest of the public, the chairperson of the
10 Executive Board of the Legislative Council shall make the final decision.

11 (d) The Legislative Oversight Committee shall be notified prior to a
12 report of an investigation being publicly released under this section.

13 (6) Records and documents, regardless of physical form, that are
14 obtained or produced by the office in the course of an investigation are
15 not public records for purposes of sections 84-712 to 84-712.09. Reports
16 of investigations conducted by the office are not public records for
17 purposes of sections 84-712 to 84-712.09.

18 (7) The office may withhold the identity of sources of information
19 to protect from retaliation any person who files a complaint or provides
20 information in good faith pursuant to the Office of Inspector General of
21 Nebraska Child Welfare Act.

22 **Sec. 6.** Section 50-1912, Revised Statutes Supplement, 2025, is
23 amended to read:

24 50-1912 (1) Reports of investigations conducted by the office shall
25 not be distributed beyond the entity that is the subject of the report
26 without the consent of the Inspector General.

27 (2) The office shall redact confidential information before
28 distributing a report of an investigation.

29 (3) ~~The office may disclose confidential information to the~~
30 ~~chairperson of the Legislative Oversight Committee at the chairperson's~~
31 ~~request.~~ The office may also disclose confidential information to the

1 chairperson of the Legislative Oversight Committee, the chairperson of
2 the Executive Board of the Legislative Council, and the chairperson of
3 the Judiciary Committee of the Legislature when such disclosure is, in
4 the judgment of the Inspector General and the Director of Legislative
5 Oversight, appropriate to keep the Legislature informed of important
6 events, issues, and developments in the Nebraska correctional system. Any
7 confidential information shared remains confidential and shall not be
8 disclosed.

9 (4) The office may also disclose such confidential information to
10 the Legislative Oversight Committee when such disclosure is, in the
11 judgment of the chairperson of the Legislative Oversight Committee,
12 appropriate to keep the Legislature informed of important events, issues,
13 and developments in the Nebraska correctional system. Any confidential
14 information shared remains confidential and shall not be disclosed.

15 (5)(a) A summarized final report based on an investigation may be
16 publicly released in order to bring awareness to systemic issues.

17 (b) Such report shall be released only:

18 (i) After a disclosure is made to the chairperson of the Legislative
19 Oversight Committee pursuant to subsection (3) of this section; and

20 (ii) If a determination is made by the Inspector General with the
21 chairperson of the Legislative Oversight Committee that doing so would be
22 in the best interest of the public.

23 (c) If there is disagreement about whether releasing the report
24 would be in the best interest of the public, the chairperson of the
25 Executive Board of the Legislative Council shall make the final decision.

26 (d) The Legislative Oversight Committee shall be notified prior to a
27 report of an investigation being publicly released under this section.

28 (6) Records and documents, regardless of physical form, that are
29 obtained or produced by the office in the course of an investigation are
30 not public records for purposes of sections 84-712 to 84-712.09. Reports
31 of investigations conducted by the office are not public records for

1 purposes of sections 84-712 to 84-712.09.

2 (7) The office may withhold the identity of sources of information
3 to protect from retaliation any person who files a complaint or provides
4 information in good faith pursuant to the Office of Inspector General of
5 the Nebraska Correctional System Act.

6 **Sec. 7.** Section 50-1918, Revised Statutes Supplement, 2025, is
7 amended to read:

8 50-1918 On or before October ~~September~~ 15 of each year, the
9 Inspector General shall provide to the Legislature and the Governor a
10 report that includes a summary of reports and investigations made under
11 the Office of Inspector General of the Nebraska Correctional System Act
12 for the preceding year. The report to the Legislature shall be submitted
13 electronically and filed with the Clerk of the Legislature. The reports
14 shall include findings and recommendations and an update on the status of
15 recommendations made in prior reports, if any. The findings and
16 recommendations may address issues discovered through investigations,
17 audits, inspections, and reviews by the office that will (1) increase
18 accountability and legislative oversight of the Nebraska correctional
19 system, (2) improve operations of the department and the Nebraska
20 correctional system, (3) deter and identify fraud, abuse, and illegal
21 acts, and (4) identify inconsistencies between statutory requirements and
22 requirements for accreditation. The reports shall not contain any
23 confidential or identifying information concerning the subjects of the
24 reports and investigations.

25 **Sec. 8.** Section 77-2711, Revised Statutes Supplement, 2025, is
26 amended to read:

27 77-2711 (1)(a) The Tax Commissioner shall enforce sections
28 77-2701.04 to 77-2713 and may prescribe, adopt, and enforce rules and
29 regulations relating to the administration and enforcement of such
30 sections.

31 (b) The Tax Commissioner may prescribe the extent to which any

1 ruling or regulation shall be applied without retroactive effect.

2 (2) The Tax Commissioner may employ accountants, auditors,
3 investigators, assistants, and clerks necessary for the efficient
4 administration of the Nebraska Revenue Act of 1967 and may delegate
5 authority to his or her representatives to conduct hearings, prescribe
6 regulations, or perform any other duties imposed by such act.

7 (3)(a) Every seller, every retailer, and every person storing,
8 using, or otherwise consuming in this state property purchased from a
9 retailer shall keep such records, receipts, invoices, and other pertinent
10 papers in such form as the Tax Commissioner may reasonably require.

11 (b) Every such seller, retailer, or person shall keep such records
12 for not less than three years from the making of such records unless the
13 Tax Commissioner in writing sooner authorized their destruction.

14 (4) The Tax Commissioner or any person authorized in writing by him
15 or her may examine the books, papers, records, and equipment of any
16 person selling property and any person liable for the use tax and may
17 investigate the character of the business of the person in order to
18 verify the accuracy of any return made or, if no return is made by the
19 person, to ascertain and determine the amount required to be paid. In the
20 examination of any person selling property or of any person liable for
21 the use tax, an inquiry shall be made as to the accuracy of the reporting
22 of city and county sales and use taxes for which the person is liable
23 under the Local Option Revenue Act or sections 13-319, 13-324, 13-2813,
24 and 77-6403 and the accuracy of the allocation made between the various
25 counties, cities, villages, and municipal counties of the tax due. The
26 Tax Commissioner may make or cause to be made copies of resale or
27 exemption certificates and may pay a reasonable amount to the person
28 having custody of the records for providing such copies.

29 (5) The taxpayer shall have the right to keep or store his or her
30 records at a point outside this state and shall make his or her records
31 available to the Tax Commissioner at all times.

1 (6) In administration of the use tax, the Tax Commissioner may
2 require the filing of reports by any person or class of persons having in
3 his, her, or their possession or custody information relating to sales of
4 property, the storage, use, or other consumption of which is subject to
5 the tax. The report shall be filed when the Tax Commissioner requires and
6 shall set forth the names and addresses of purchasers of the property,
7 the sales price of the property, the date of sale, and such other
8 information as the Tax Commissioner may require.

9 (7) It shall be a Class I misdemeanor for the Tax Commissioner, any
10 official or employee of the Tax Commissioner, the State Treasurer, or the
11 Department of Administrative Services, or any other person to make known
12 in any manner whatever the business affairs, operations, or information
13 obtained by an investigation of records and activities of any retailer or
14 any other person visited or examined in the discharge of official duty or
15 the amount or source of income, profits, losses, expenditures, or any
16 particular thereof, set forth or disclosed in any return, or to permit
17 any return or copy thereof, or any book containing any abstract or
18 particulars thereof to be seen or examined by any person not connected
19 with the Tax Commissioner. Nothing in this section shall be construed to
20 prohibit (a) the delivery to a taxpayer, his or her duly authorized
21 representative, or his or her successors, receivers, trustees, executors,
22 administrators, assignees, or guarantors, if directly interested, of a
23 certified copy of any return or report in connection with his or her tax,
24 (b) the publication of statistics so classified as to prevent the
25 identification of particular reports or returns and the items thereof,
26 (c) the inspection by the Attorney General, other legal representative of
27 the state, or county attorney of the reports or returns of any taxpayer
28 when either (i) information on the reports or returns is considered by
29 the Attorney General to be relevant to any action or proceeding
30 instituted by the taxpayer or against whom an action or proceeding is
31 being considered or has been commenced by any state agency or the county

1 or (ii) the taxpayer has instituted an action to review the tax based
2 thereon or an action or proceeding against the taxpayer for collection of
3 tax or failure to comply with the Nebraska Revenue Act of 1967 is being
4 considered or has been commenced, (d) the furnishing of any information
5 to the United States Government or to states allowing similar privileges
6 to the Tax Commissioner, (e) the disclosure of information and records to
7 a collection agency contracting with the Tax Commissioner pursuant to
8 sections 77-377.01 to 77-377.04, (f) the disclosure to another party to a
9 transaction of information and records concerning the transaction between
10 the taxpayer and the other party, (g) the disclosure of information
11 pursuant to section 77-27,195, 77-5731, 77-6837, 77-6839, or 77-6928, or
12 (h) the disclosure of information to the Department of Labor necessary
13 for the administration of the Employment Security Law, the Contractor
14 Registration Act, or the Employee Classification Act.

15 (8) Notwithstanding the provisions of subsection (7) of this
16 section, the Tax Commissioner may permit the Postal Inspector of the
17 United States Postal Service or his or her delegates to inspect the
18 reports or returns of any person filed pursuant to the Nebraska Revenue
19 Act of 1967 when information on the reports or returns is relevant to any
20 action or proceeding instituted or being considered by the United States
21 Postal Service against such person for the fraudulent use of the mails to
22 carry and deliver false and fraudulent tax returns to the Tax
23 Commissioner with the intent to defraud the State of Nebraska or to evade
24 the payment of Nebraska state taxes.

25 (9) Notwithstanding the provisions of subsection (7) of this
26 section, the Tax Commissioner may permit other tax officials of this
27 state to inspect the tax returns, reports, and applications filed under
28 sections 77-2701.04 to 77-2713, but such inspection shall be permitted
29 only for purposes of enforcing a tax law and only to the extent and under
30 the conditions prescribed by the rules and regulations of the Tax
31 Commissioner.

1 (10) Notwithstanding the provisions of subsection (7) of this
2 section, the Tax Commissioner may, upon request, provide the county board
3 of any county which has exercised the authority granted by section
4 81-3716 with a list of the names and addresses of the hotels located
5 within the county for which lodging sales tax returns have been filed or
6 for which lodging sales taxes have been remitted for the county's County
7 Visitors Promotion Fund under the Nebraska Visitors Development Act.

8 The information provided by the Tax Commissioner shall indicate only
9 the names and addresses of the hotels located within the requesting
10 county for which lodging sales tax returns have been filed for a
11 specified period and the fact that lodging sales taxes remitted by or on
12 behalf of the hotel have constituted a portion of the total sum remitted
13 by the state to the county for a specified period under the provisions of
14 the Nebraska Visitors Development Act. No additional information shall be
15 revealed.

16 (11)(a) Notwithstanding the provisions of subsection (7) of this
17 section, the Tax Commissioner shall, upon written request by the Auditor
18 of Public Accounts or the Legislative Audit Office, make tax returns and
19 tax return information open to inspection by or disclosure to the Auditor
20 of Public Accounts or employees of the Legislative Audit Office for the
21 purpose of and to the extent necessary in making an audit of the
22 Department of Revenue pursuant to section 50-1205 or 84-304 or subsection
23 (14) of this section. Confidential tax returns and tax return information
24 shall be audited only upon the premises of the Department of Revenue or
25 through secure remote access. All audit work papers pertaining to the
26 audit of the Department of Revenue that contain return information in a
27 form that can be associated with or otherwise identify, directly or
28 indirectly, a particular taxpayer shall be stored in a secure place in
29 the Department of Revenue.

30 (b) No employee of the Auditor of Public Accounts or the Legislative
31 Audit Office shall disclose to any person, other than another Auditor of

1 Public Accounts or office employee whose official duties require such
2 disclosure, any return or return information described in the Nebraska
3 Revenue Act of 1967 in a form which can be associated with or otherwise
4 identify, directly or indirectly, a particular taxpayer.

5 (c) Any person who violates the provisions of this subsection shall
6 be guilty of a Class I misdemeanor. For purposes of this subsection,
7 employee includes a former Auditor of Public Accounts or Legislative
8 Audit Office employee.

9 (12) For purposes of this subsection and subsections (11) and (14)
10 of this section:

11 (a) Disclosure means the making known to any person in any manner a
12 tax return or return information;

13 (b) Return information means:

14 (i) A taxpayer's identification number and (A) the nature, source,
15 or amount of his or her income, payments, receipts, deductions,
16 exemptions, credits, assets, liabilities, net worth, tax liability, tax
17 withheld, deficiencies, over assessments, or tax payments, whether the
18 taxpayer's return was, is being, or will be examined or subject to other
19 investigation or processing or (B) any other data received by, recorded
20 by, prepared by, furnished to, or collected by the Tax Commissioner with
21 respect to a return or the determination of the existence or possible
22 existence of liability or the amount of liability of any person for any
23 tax, penalty, interest, fine, forfeiture, or other imposition or offense;
24 and

25 (ii) Any part of any written determination or any background file
26 document relating to such written determination; and

27 (c) Tax return or return means any tax or information return or
28 claim for refund required by, provided for, or permitted under sections
29 77-2701 to 77-2713 which is filed with the Tax Commissioner by, on behalf
30 of, or with respect to any person and any amendment or supplement
31 thereto, including supporting schedules, attachments, or lists which are

1 supplemental to or part of the filed return.

2 (13) Notwithstanding the provisions of subsection (7) of this
3 section, the Tax Commissioner shall, upon request, provide any
4 municipality which has adopted the local option sales tax under the Local
5 Option Revenue Act with a list of the names and addresses of the
6 retailers which have collected the local option sales tax for the
7 municipality and any additional information requested by the municipality
8 so long as the information does not include any data detailing the
9 specific revenue, expenses, or operations of any particular business. A
10 request may be made no greater than three times annually.

11 (14)(a) Notwithstanding the provisions of subsection (7) of this
12 section, the Tax Commissioner shall, upon written request, provide an
13 individual certified under subdivision (b) of this subsection
14 representing a municipality which has adopted the local option sales and
15 use tax under the Local Option Revenue Act with confidential sales and
16 use tax returns and sales and use tax return information regarding
17 taxpayers that possess a sales tax permit and the amounts remitted by
18 such permitholders at locations within the boundaries of the requesting
19 municipality or with confidential business use tax returns and business
20 use tax return information regarding taxpayers that file a Nebraska and
21 Local Business Use Tax Return and the amounts remitted by such taxpayers
22 at locations within the boundaries of the requesting municipality. Any
23 written request pursuant to this subsection shall provide the Department
24 of Revenue with no less than ten business days to prepare the sales and
25 use tax returns and sales and use tax return information requested. If
26 the individual certified under subdivision (b) of this subsection
27 requests that copies of such returns and return information be sent to
28 him or her by electronic transmission, the Tax Commissioner shall abide
29 by the request and send such information secured in a manner as
30 determined by the Tax Commissioner.

31 (b) Each municipality that seeks to request information under

1 subdivision (a) of this subsection shall certify to the Department of
2 Revenue one individual who is authorized by such municipality to make
3 such a request for the documents described in subdivision (a) of this
4 subsection. The individual may be a municipal employee or an individual
5 who contracts with the requesting municipality to provide financial,
6 accounting, or other administrative services.

7 (c) If upon review of the documents described in subdivision (a) of
8 this subsection the individual certified by a municipality pursuant to
9 subdivision (b) of this subsection identifies a suspected irregularity or
10 discrepancy, such individual may provide notification of the suspected
11 irregularity or discrepancy to the Auditor of Public Accounts who may
12 conduct an audit as provided in subsection (11) of this section.

13 (d) The individual certified under subdivision (b) of this
14 subsection may disclose the copies of the returns and return information
15 described in subdivision (a) of this subsection to another municipal
16 employee for purposes of (i) verifying the accuracy of the collection,
17 analysis, and forecasting, (ii) verifying the accuracy of the allocation
18 made between various municipalities of the tax due, or (iii) verifying
19 the taxes are used according to the purpose voted on by the people of the
20 municipality. An individual certified by a municipality pursuant to
21 subdivision (b) of this subsection shall not disclose to any person any
22 information obtained pursuant to a review under this subsection other
23 than for the purposes described in this subsection. An individual
24 certified by a municipality pursuant to subdivision (b) of this
25 subsection shall remain subject to this subsection after he or she (i) is
26 no longer certified or (ii) is no longer in the employment of or under
27 contract with the certifying municipality.

28 (e) Any person who violates the provisions of this subsection shall
29 be guilty of a Class I misdemeanor.

30 (f) The Department of Revenue shall not be held liable by any person
31 for an impermissible disclosure by a municipality or any agent or

1 employee thereof of any information obtained pursuant to a review under
2 this subsection.

3 (15) In all proceedings under the Nebraska Revenue Act of 1967, the
4 Tax Commissioner may act for and on behalf of the people of the State of
5 Nebraska. The Tax Commissioner in his or her discretion may waive all or
6 part of any penalties provided by the provisions of such act or interest
7 on delinquent taxes specified in section 45-104.02, as such rate may from
8 time to time be adjusted.

9 (16)(a) The purpose of this subsection is to set forth the state's
10 policy for the protection of the confidentiality rights of all
11 participants in the system operated pursuant to the streamlined sales and
12 use tax agreement and of the privacy interests of consumers who deal with
13 model 1 sellers.

14 (b) For purposes of this subsection:

15 (i) Anonymous data means information that does not identify a
16 person;

17 (ii) Confidential taxpayer information means all information that is
18 protected under a member state's laws, regulations, and privileges; and

19 (iii) Personally identifiable information means information that
20 identifies a person.

21 (c) The state agrees that a fundamental precept for model 1 sellers
22 is to preserve the privacy of consumers by protecting their anonymity.
23 With very limited exceptions, a certified service provider shall perform
24 its tax calculation, remittance, and reporting functions without
25 retaining the personally identifiable information of consumers.

26 (d) The governing board of the member states in the streamlined
27 sales and use tax agreement may certify a certified service provider only
28 if that certified service provider certifies that:

29 (i) Its system has been designed and tested to ensure that the
30 fundamental precept of anonymity is respected;

31 (ii) Personally identifiable information is only used and retained

1 to the extent necessary for the administration of model 1 with respect to
2 exempt purchasers;

3 (iii) It provides consumers clear and conspicuous notice of its
4 information practices, including what information it collects, how it
5 collects the information, how it uses the information, how long, if at
6 all, it retains the information, and whether it discloses the information
7 to member states. Such notice shall be satisfied by a written privacy
8 policy statement accessible by the public on the website of the certified
9 service provider;

10 (iv) Its collection, use, and retention of personally identifiable
11 information is limited to that required by the member states to ensure
12 the validity of exemptions from taxation that are claimed by reason of a
13 consumer's status or the intended use of the goods or services purchased;
14 and

15 (v) It provides adequate technical, physical, and administrative
16 safeguards so as to protect personally identifiable information from
17 unauthorized access and disclosure.

18 (e) The state shall provide public notification to consumers,
19 including exempt purchasers, of the state's practices relating to the
20 collection, use, and retention of personally identifiable information.

21 (f) When any personally identifiable information that has been
22 collected and retained is no longer required for the purposes set forth
23 in subdivision (16)(d)(iv) of this section, such information shall no
24 longer be retained by the member states.

25 (g) When personally identifiable information regarding an individual
26 is retained by or on behalf of the state, it shall provide reasonable
27 access by such individual to his or her own information in the state's
28 possession and a right to correct any inaccurately recorded information.

29 (h) If anyone other than a member state, or a person authorized by
30 that state's law or the agreement, seeks to discover personally
31 identifiable information, the state from whom the information is sought

1 should make a reasonable and timely effort to notify the individual of
2 such request.

3 (i) This privacy policy is subject to enforcement by the Attorney
4 General.

5 (j) All other laws and regulations regarding the collection, use,
6 and maintenance of confidential taxpayer information remain fully
7 applicable and binding. Without limitation, this subsection does not
8 enlarge or limit the state's authority to:

9 (i) Conduct audits or other reviews as provided under the agreement
10 and state law;

11 (ii) Provide records pursuant to the federal Freedom of Information
12 Act, disclosure laws with governmental agencies, or other regulations;

13 (iii) Prevent, consistent with state law, disclosure of confidential
14 taxpayer information;

15 (iv) Prevent, consistent with federal law, disclosure or misuse of
16 federal return information obtained under a disclosure agreement with the
17 Internal Revenue Service; and

18 (v) Collect, disclose, disseminate, or otherwise use anonymous data
19 for governmental purposes.

20 **Sec. 9.** Section 77-27,119, Revised Statutes Supplement, 2025, is
21 amended to read:

22 77-27,119 (1) The Tax Commissioner shall administer and enforce the
23 income tax imposed by sections 77-2714 to 77-27,135, and he or she is
24 authorized to conduct hearings, to adopt and promulgate such rules and
25 regulations, and to require such facts and information to be reported as
26 he or she may deem necessary to enforce the income tax provisions of such
27 sections, except that such rules, regulations, and reports shall not be
28 inconsistent with the laws of this state or the laws of the United
29 States. The Tax Commissioner may for enforcement and administrative
30 purposes divide the state into a reasonable number of districts in which
31 branch offices may be maintained.

1 (2)(a) The Tax Commissioner may prescribe the form and contents of
2 any return or other document required to be filed under the income tax
3 provisions. Such return or other document shall be compatible as to form
4 and content with the return or document required by the laws of the
5 United States. The form shall have a place where the taxpayer shall
6 designate the school district in which he or she lives and the county in
7 which the school district is headquartered. The Tax Commissioner shall
8 adopt and promulgate such rules and regulations as may be necessary to
9 insure compliance with this requirement.

10 (b) The State Department of Education, with the assistance and
11 cooperation of the Department of Revenue, shall develop a uniform system
12 for numbering all school districts in the state. Such system shall be
13 consistent with the data processing needs of the Department of Revenue
14 and shall be used for the school district identification required by
15 subdivision (a) of this subsection.

16 (c) The proper filing of an income tax return shall consist of the
17 submission of such form as prescribed by the Tax Commissioner or an exact
18 facsimile thereof with sufficient information provided by the taxpayer on
19 the face of the form from which to compute the actual tax liability. Each
20 taxpayer shall include such taxpayer's correct social security number or
21 state identification number and the school district identification number
22 of the school district in which the taxpayer resides on the face of the
23 form. A filing is deemed to occur when the required information is
24 provided.

25 (3) The Tax Commissioner, for the purpose of ascertaining the
26 correctness of any return or other document required to be filed under
27 the income tax provisions, for the purpose of determining corporate
28 income, individual income, and withholding tax due, or for the purpose of
29 making an estimate of taxable income of any person, shall have the power
30 to examine or to cause to have examined, by any agent or representative
31 designated by him or her for that purpose, any books, papers, records, or

1 memoranda bearing upon such matters and may by summons require the
2 attendance of the person responsible for rendering such return or other
3 document or remitting any tax, or any officer or employee of such person,
4 or the attendance of any other person having knowledge in the premises,
5 and may take testimony and require proof material for his or her
6 information, with power to administer oaths or affirmations to such
7 person or persons.

8 (4) The time and place of examination pursuant to this section shall
9 be such time and place as may be fixed by the Tax Commissioner and as are
10 reasonable under the circumstances. In the case of a summons, the date
11 fixed for appearance before the Tax Commissioner shall not be less than
12 twenty days from the time of service of the summons.

13 (5) No taxpayer shall be subjected to unreasonable or unnecessary
14 examinations or investigations.

15 (6) Except in accordance with proper judicial order or as otherwise
16 provided by law, it shall be unlawful for the Tax Commissioner, any
17 officer or employee of the Tax Commissioner, any person engaged or
18 retained by the Tax Commissioner on an independent contract basis, any
19 person who pursuant to this section is permitted to inspect any report or
20 return or to whom a copy, an abstract, or a portion of any report or
21 return is furnished, any employee of the State Treasurer or the
22 Department of Administrative Services, or any other person to divulge,
23 make known, or use in any manner the amount of income or any particulars
24 set forth or disclosed in any report or return required except for the
25 purpose of enforcing sections 77-2714 to 77-27,135. The officers charged
26 with the custody of such reports and returns shall not be required to
27 produce any of them or evidence of anything contained in them in any
28 action or proceeding in any court, except on behalf of the Tax
29 Commissioner in an action or proceeding under the provisions of the tax
30 law to which he or she is a party or on behalf of any party to any action
31 or proceeding under such sections when the reports or facts shown thereby

1 are directly involved in such action or proceeding, in either of which
2 events the court may require the production of, and may admit in
3 evidence, so much of such reports or of the facts shown thereby as are
4 pertinent to the action or proceeding and no more. Nothing in this
5 section shall be construed (a) to prohibit the delivery to a taxpayer,
6 his or her duly authorized representative, or his or her successors,
7 receivers, trustees, personal representatives, administrators, assignees,
8 or guarantors, if directly interested, of a certified copy of any return
9 or report in connection with his or her tax, (b) to prohibit the
10 publication of statistics so classified as to prevent the identification
11 of particular reports or returns and the items thereof, (c) to prohibit
12 the inspection by the Attorney General, other legal representatives of
13 the state, or a county attorney of the report or return of any taxpayer
14 who brings an action to review the tax based thereon, against whom an
15 action or proceeding for collection of tax has been instituted, or
16 against whom an action, proceeding, or prosecution for failure to comply
17 with the Nebraska Revenue Act of 1967 is being considered or has been
18 commenced, (d) to prohibit furnishing to the Nebraska Workers'
19 Compensation Court the names, addresses, and identification numbers of
20 employers, and such information shall be furnished on request of the
21 court, (e) to prohibit the disclosure of information and records to a
22 collection agency contracting with the Tax Commissioner pursuant to
23 sections 77-377.01 to 77-377.04, (f) to prohibit the disclosure of
24 information pursuant to section 77-27,195, 77-4110, 77-5731, 77-6521,
25 77-6837, 77-6839, or 77-6928, (g) to prohibit the disclosure to the
26 Public Employees Retirement Board of the addresses of individuals who are
27 members of the retirement systems administered by the board, and such
28 information shall be furnished to the board solely for purposes of its
29 administration of the retirement systems upon written request, which
30 request shall include the name and social security number of each
31 individual for whom an address is requested, (h) to prohibit the

1 disclosure of information to the Department of Labor necessary for the
2 administration of the Employment Security Law, the Contractor
3 Registration Act, or the Employee Classification Act, (i) to prohibit the
4 disclosure to the Department of Motor Vehicles of tax return information
5 pertaining to individuals, corporations, and businesses determined by the
6 Department of Motor Vehicles to be delinquent in the payment of amounts
7 due under agreements pursuant to the International Fuel Tax Agreement
8 Act, and such disclosure shall be strictly limited to information
9 necessary for the administration of the act, (j) to prohibit the
10 disclosure under section 42-358.08, 43-512.06, or 43-3327 to any court-
11 appointed individuals, the county attorney, any authorized attorney, or
12 the Department of Health and Human Services of an absent parent's
13 address, social security number, amount of income, health insurance
14 information, and employer's name and address for the exclusive purpose of
15 establishing and collecting child, spousal, or medical support, (k) to
16 prohibit the disclosure of information to the Department of Insurance,
17 the Nebraska State Historical Society, or the State Historic Preservation
18 Officer as necessary to carry out the Department of Revenue's
19 responsibilities under the Nebraska Job Creation and Mainstreet
20 Revitalization Act, or (l) to prohibit the disclosure to the Department
21 of Insurance of information pertaining to authorization for, and use of,
22 tax credits under the New Markets Job Growth Investment Act. Information
23 so obtained shall be used for no other purpose. Any person who violates
24 this subsection shall be guilty of a felony and shall upon conviction
25 thereof be fined not less than one hundred dollars nor more than five
26 hundred dollars, or be imprisoned not more than five years, or be both so
27 fined and imprisoned, in the discretion of the court and shall be
28 assessed the costs of prosecution. If the offender is an officer or
29 employee of the state, he or she shall be dismissed from office and be
30 ineligible to hold any public office in this state for a period of two
31 years thereafter.

1 (7) Reports and returns required to be filed under income tax
2 provisions of sections 77-2714 to 77-27,135 shall be preserved until the
3 Tax Commissioner orders them to be destroyed.

4 (8) Notwithstanding the provisions of subsection (6) of this
5 section, the Tax Commissioner may permit the Secretary of the Treasury of
6 the United States or his or her delegates or the proper officer of any
7 state imposing an income tax, or the authorized representative of either
8 such officer, to inspect the income tax returns of any taxpayer or may
9 furnish to such officer or his or her authorized representative an
10 abstract of the return of income of any taxpayer or supply him or her
11 with information concerning an item of income contained in any return or
12 disclosed by the report of any investigation of the income or return of
13 income of any taxpayer, but such permission shall be granted only if the
14 statutes of the United States or of such other state, as the case may be,
15 grant substantially similar privileges to the Tax Commissioner of this
16 state as the officer charged with the administration of the income tax
17 imposed by sections 77-2714 to 77-27,135.

18 (9) Notwithstanding the provisions of subsection (6) of this
19 section, the Tax Commissioner may permit the Postal Inspector of the
20 United States Postal Service or his or her delegates to inspect the
21 reports or returns of any person filed pursuant to the Nebraska Revenue
22 Act of 1967 when information on the reports or returns is relevant to any
23 action or proceeding instituted or being considered by the United States
24 Postal Service against such person for the fraudulent use of the mails to
25 carry and deliver false and fraudulent tax returns to the Tax
26 Commissioner with the intent to defraud the State of Nebraska or to evade
27 the payment of Nebraska state taxes.

28 (10)(a) Notwithstanding the provisions of subsection (6) of this
29 section, the Tax Commissioner shall, upon written request by the Auditor
30 of Public Accounts or the Legislative Audit Office, make tax returns and
31 tax return information open to inspection by or disclosure to officers

1 and employees of the Auditor of Public Accounts or employees of the
2 Legislative Audit Office for the purpose of and to the extent necessary
3 in making an audit of the Department of Revenue pursuant to section
4 50-1205 or 84-304. The Auditor of Public Accounts or Legislative Audit
5 Office shall statistically and randomly select the tax returns and tax
6 return information to be audited based upon a computer tape provided by
7 the Department of Revenue which contains only total population documents
8 without specific identification of taxpayers. The Tax Commissioner shall
9 have the authority to approve the statistical sampling method used by the
10 Auditor of Public Accounts or Legislative Audit Office. Confidential tax
11 returns and tax return information shall be audited only upon the
12 premises of the Department of Revenue or through secure remote access.
13 All audit workpapers pertaining to the audit of the Department of Revenue
14 that contain return information in a form that can be associated with or
15 otherwise identify, directly or indirectly, a particular taxpayer shall
16 be stored in a secure place in the Department of Revenue.

17 (b) When selecting tax returns or tax return information for a
18 performance audit of a tax incentive program, the Legislative Audit
19 Office shall select the tax returns or tax return information for either
20 all or a statistically and randomly selected sample of taxpayers who have
21 applied for or who have qualified for benefits under the tax incentive
22 program that is the subject of the audit. When the Legislative Audit
23 Office reports on its review of tax returns and tax return information,
24 it shall comply with subdivision (10)(c) of this section.

25 (c) No officer or employee of the Auditor of Public Accounts or
26 Legislative Audit Office employee shall disclose to any person, other
27 than another officer or employee of the Auditor of Public Accounts or
28 Legislative Audit Office whose official duties require such disclosure,
29 any return or return information described in the Nebraska Revenue Act of
30 1967 in a form which can be associated with or otherwise identify,
31 directly or indirectly, a particular taxpayer.

1 (d) Any person who violates the provisions of this subsection shall
2 be guilty of a Class IV felony and, in the discretion of the court, may
3 be assessed the costs of prosecution. The guilty officer or employee
4 shall be dismissed from employment and be ineligible to hold any position
5 of employment with the State of Nebraska for a period of two years
6 thereafter. For purposes of this subsection, officer or employee shall
7 include a former officer or employee of the Auditor of Public Accounts or
8 former employee of the Legislative Audit Office.

9 (11) For purposes of subsections (10) through (13) of this section:

10 (a) Tax returns shall mean any tax or information return or claim
11 for refund required by, provided for, or permitted under sections 77-2714
12 to 77-27,135 which is filed with the Tax Commissioner by, on behalf of,
13 or with respect to any person and any amendment or supplement thereto,
14 including supporting schedules, attachments, or lists which are
15 supplemental to or part of the filed return;

16 (b) Return information shall mean:

17 (i) A taxpayer's identification number and (A) the nature, source,
18 or amount of his or her income, payments, receipts, deductions,
19 exemptions, credits, assets, liabilities, net worth, tax liability, tax
20 withheld, deficiencies, overassessments, or tax payments, whether the
21 taxpayer's return was, is being, or will be examined or subject to other
22 investigation or processing or (B) any other data received by, recorded
23 by, prepared by, furnished to, or collected by the Tax Commissioner with
24 respect to a return or the determination of the existence or possible
25 existence of liability or the amount of liability of any person for any
26 tax, penalty, interest, fine, forfeiture, or other imposition or offense;
27 and

28 (ii) Any part of any written determination or any background file
29 document relating to such written determination; and

30 (c) Disclosures shall mean the making known to any person in any
31 manner a return or return information.

1 (12) The Auditor of Public Accounts shall (a) notify the Tax
2 Commissioner in writing thirty days prior to the beginning of an audit of
3 his or her intent to conduct an audit, (b) provide an audit plan, and (c)
4 provide a list of the tax returns and tax return information identified
5 for inspection during the audit. The Legislative Audit Office shall
6 notify the Tax Commissioner of the intent to conduct an audit and of the
7 scope of the audit as provided in section 50-1209.

8 (13) The Auditor of Public Accounts or the Legislative Audit Office
9 shall, as a condition for receiving tax returns and tax return
10 information: (a) Subject employees involved in the audit to the same
11 confidential information safeguards and disclosure procedures as required
12 of Department of Revenue employees; (b) establish and maintain a
13 permanent system of standardized records with respect to any request for
14 tax returns or tax return information, the reason for such request, and
15 the date of such request and any disclosure of the tax return or tax
16 return information; (c) establish and maintain a secure area or place in
17 the Department of Revenue in which the tax returns, tax return
18 information, or audit workpapers shall be stored; (d) restrict access to
19 the tax returns or tax return information only to persons whose duties or
20 responsibilities require access; (e) provide such other safeguards as the
21 Tax Commissioner determines to be necessary or appropriate to protect the
22 confidentiality of the tax returns or tax return information; (f) provide
23 a report to the Tax Commissioner which describes the procedures
24 established and utilized by the Auditor of Public Accounts or Legislative
25 Audit Office for insuring the confidentiality of tax returns, tax return
26 information, and audit workpapers; and (g) upon completion of use of such
27 returns or tax return information, return to the Tax Commissioner such
28 returns or tax return information, along with any copies.

29 (14) The Tax Commissioner may permit other tax officials of this
30 state to inspect the tax returns and reports filed under sections 77-2714
31 to 77-27,135, but such inspection shall be permitted only for purposes of

1 enforcing a tax law and only to the extent and under the conditions
2 prescribed by the rules and regulations of the Tax Commissioner.

3 (15) The Tax Commissioner shall compile the school district
4 information required by subsection (2) of this section. Insofar as it is
5 possible, such compilation shall include, but not be limited to, the
6 total adjusted gross income of each school district in the state. The Tax
7 Commissioner shall adopt and promulgate such rules and regulations as may
8 be necessary to insure that such compilation does not violate the
9 confidentiality of any individual income tax return nor conflict with any
10 other provisions of state or federal law.

11 **Sec. 10.** Section 83-4,134.01, Revised Statutes Supplement, 2025, is
12 amended to read:

13 83-4,134.01 (1) It is the intent of the Legislature to establish a
14 system of investigation and performance review in order to provide
15 increased accountability and oversight regarding the use of room
16 confinement for juveniles in a juvenile facility.

17 (2) The following shall apply regarding placement in room
18 confinement of a juvenile in a juvenile facility:

19 (a) Room confinement of a juvenile for any duration longer than one
20 ~~hour during a twenty-four-hour period~~ shall be documented and approved in
21 writing by a supervisor in the juvenile facility. Documentation of the
22 room confinement shall include the date of the occurrence; the race,
23 ethnicity, age, and gender of the juvenile; the reason for placement of
24 the juvenile in room confinement; an explanation of why less restrictive
25 means were unsuccessful; the ultimate duration of the placement in room
26 confinement in hours and minutes; facility staffing levels at the time of
27 confinement; and any incidents of self-harm or suicide committed by the
28 juvenile while he or she was isolated;

29 (b) Room confinement of a juvenile for longer than one hour during a
30 twenty-four-hour period shall be approved in writing by a supervisor in
31 the juvenile facility;

1 (c) (b) If any physical or mental health clinical evaluation was
2 performed during the time the juvenile was in room confinement for longer
3 than one hour, the results of such evaluation shall be considered in any
4 decision to place a juvenile in room confinement or to continue room
5 confinement;

6 (d) (e) The juvenile facility shall electronically submit a
7 quarterly report quarterly to the Division of Legislative Oversight
8 Legislature on the juveniles placed in room confinement; the length of
9 time, in hours and minutes, each juvenile was in room confinement; the
10 race, ethnicity, age, and gender of each juvenile placed in room
11 confinement; facility staffing levels at the time of confinement; and the
12 reason each juvenile was placed in room confinement. The report shall
13 specifically address each instance of room confinement of a juvenile for
14 more than four hours, including all reasons why attempts to return the
15 juvenile to the general population of the juvenile facility were
16 unsuccessful. The report shall also detail all corrective measures taken
17 in response to noncompliance with this section. The report shall redact
18 all personal identifying information but shall provide individual, not
19 aggregate, data. The report shall be delivered electronically to the
20 Legislature. The initial quarterly report shall be submitted within two
21 weeks after the quarter ending on September 30, 2016. Subsequent reports
22 shall be submitted for the ensuing quarters within four weeks after the
23 end of each quarter; and

24 (e) By September 15, 2026, and by each September 15 thereafter, the
25 juvenile facility shall electronically submit to the Division of
26 Legislative Oversight an annual summary report for the immediately
27 preceding fiscal year. The summary report shall include the total number
28 of available beds in the facility; the total number of juveniles served;
29 the total number of individual juveniles confined; the total number of
30 occurrences of juvenile room confinement by individual juvenile; the
31 total number of confinement hours, in hours and minutes; the total number

1 of incidents of room confinement lasting less than one hour; the total
2 number of incidents lasting less than four hours; and the total number of
3 incidents lasting over twenty-four hours. The report shall redact all
4 personal identifying information but shall, as required by this
5 subdivision, provide individual, not aggregate, data;

6 (f) All reports submitted pursuant to this section shall be in a
7 format the Division of Legislative Oversight determines is necessary for
8 its review; and

9 (g) (d) The Division of Legislative Oversight, specifically the
10 Inspector General of Nebraska Child Welfare or the Legislative Audit
11 Office, shall review all data collected pursuant to this section in order
12 to assess the use of room confinement for juveniles in each juvenile
13 facility and prepare an annual report of the his or her findings of the
14 Division of Legislative Oversight, including, but not limited to,
15 identifying changes in policy and practice which may lead to decreased
16 use of such confinement as well as model evidence-based criteria to be
17 used to determine when a juvenile should be placed in room confinement.
18 The report shall be delivered electronically to the Legislature on an
19 annual basis.

20 ~~(3) The use of consecutive periods of room confinement to avoid the~~
21 ~~intent or purpose of this section is prohibited.~~

22 ~~(3) (4) Any juvenile facility which is not a residential child-~~
23 ~~caring agency which fails to comply with the requirements of this section~~
24 ~~is subject to disciplinary action as provided in section 83-4,134. Any~~
25 ~~juvenile facility which is a residential child-caring agency which fails~~
26 ~~to comply with the requirements of this section is subject to~~
27 ~~disciplinary action as provided in section 71-1940.~~

28 **Sec. 11.** Original sections 43-2,108, 50-1205, 50-1803, 50-1805,
29 50-1812, 50-1912, 50-1918, 77-2711, 77-27,119, and 83-4,134.01, Revised
30 Statutes Supplement, 2025, are repealed.