

# **One Hundred Ninth Legislature - Second Session - 2026**

## **Introducer's Statement of Intent**

### **LB1160**

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**Chairperson: Senator Mike Jacobson**

**Committee: Banking, Commerce and Insurance**

The following constitute the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB1160 aims to update and clarify Nebraska law related to estate planning and probate and trust practices.

Specifically, it increases financial allowances for surviving spouses and children in decedents' estates starting January 1, 2027, reflecting inflation or cost-of-living adjustments.

The bill updates and expands definitions and procedures regarding trusts, including codifying how contracts to create or not revoke a trust must be established, and specifying that "no-contest" clauses in trusts are unenforceable when there is probable cause for a contest in the same was as such clauses are unenforceable with respect to wills.

The bill clarifies that a person can use a statutorily authorized certification of trust to establish eligibility for a homestead exemption, ensuring that longstanding practice continues to be allowed.

Additionally, LB1160 clarifies that the children and relatives of a person who establishes themself as a putative child qualify for similar treatment for inheritance tax purposes.

The bill ensures that rules for interpreting wills also apply to trusts, aligning the treatment of similar provisions in both instruments.

Overall, the legislation is intended to modernize Nebraska's Probate and Trust Codes and related provisions by updating financial thresholds, clarifying the formation and contestation of trusts, and improving the process for proving homestead rights and inheritance tax eligibility.

**Principal Introducer:** \_\_\_\_\_

**Senator Bob Hallstrom**