

STATE OF NEBRASKA
BIENNIAL
BUDGET
FY 2025-26 AND FY 2026-27



MAY 2026
AS ENACTED IN THE 109TH
LEGISLATURE SECOND SESSION
PREPARED BY THE LEGISLATIVE FISCAL OFFICE

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SUMMARY

GENERAL FUND FINANCIAL STATUS

2025 Session

At Sine Die of the 2024 Special Session (August 2024), the projected financial status for the FY2025-26/FY2026-27 biennium was \$56.9 million above the minimum reserve. At that point, FY2025-26/FY2026-27 were the “out years” in the five-year financial status, and there was no projection for the FY2027-28/FY2028-29 biennium.

The financial status deteriorated significantly in November 2024, as reported in the Tax Rate Review Committee Annual Report. The variance from the minimum reserve went from a positive \$56.9 million to a shortfall of \$432.6 million. This was \$489.6 million lower than what was shown on the financial status for the FY2025-26/FY2026-27 biennium on the Sine Die 2024 Special Session status. The change was due mostly to a revision of the FY2024-25 revenue forecast official revenue forecasts being set for FY2025-26 and FY2026-27 at the October 2024 Nebraska Economic Forecast Advisory Board (NEFAB) meeting, as well as updated appropriations estimates based on agency budget requests.

In March, the General Fund financial status showed an amount of \$289.134 million below the minimum reserve. This status accounted for the changes in the 2025 Appropriations Committee Preliminary Budget as well as the changes to revenue forecasts at the February 2025 NEFAB meeting. The 2025 Appropriations Committee Budget recommendation, finalized in late April 2025, contained in the Committee amendments to the budget bills, showed a budget shortfall remaining of \$124.792 million, an improvement of \$164.3 million from the March 6 status. The committee recommendation was finalized prior to the April NEFAB meeting.

On April 25, 2025, the NEFAB met to revise the revenue forecasts, and each year’s forecast was revised downward. The General Fund financial status published following the changes reflected a shortfall of \$395.4 million for the FY2025-26/FY2026-27 biennium, and \$698.5 million below the minimum reserve for the FY2027-28/FY2028-29 biennium. Additional changes to the budget bills during floor debate increased revenues to the General Fund from various cash funds as well as reduced General Fund appropriations. Following the passage of several additional bills, the Sine Die General Fund financial status, published in June of 2025, reflected \$4.1 million above the minimum reserve in the FY2025-26/FY2026-27 biennium, and \$129.1 million below the minimum reserve for the FY2027-28/FY2028-29 biennium.

2026 Session

The General Fund financial status published for the July 2025 Tax Rate Review Committee, which incorporated FY2024-25 actual revenues and expenditures, reflects \$95.4 million below the minimum reserve in the FY2025-26/FY2026-27 biennium, and \$218.1 million below the minimum reserve for the FY2027-28/FY2028-29 biennium. For the FY2025-26/FY2026-27 biennium, this is a reduction of \$99.5 million from the previously published status. For the FY2027-28/FY2028-29 biennium, this is a reduction of \$89.0 million from the previously published status.

In November of 2025, the variance from the minimum General Fund reserve was estimated to be \$471.5 million below the minimum reserve for the FY26/FY27 biennium and \$690.3 million below the minimum reserve for the FY28/FY29 biennium. The change from July to November was largely due to revised revenues at the October NEFAB meeting, which incorporated the impact of federal legislation.

The NEFAB met on February 27, 2026, and revised the FY2025-26 forecast upward by \$20 million, which will be transferred to the School Property Tax Relief Fund in FY2026-27 under current law. The NEFAB also revised the FY2026-27 forecast downward \$175 million.

Following passage of the midbiennium adjustment bills as well as several other bills that affected the General Fund financial status, the General Fund financial status at Sine Die of the 2026 Session reflected an excess above the minimum reserve of \$6.25 million for the FY2025-26/FY2026-27 biennium, and \$631.9 million below the minimum reserve for the FY2027-28/FY2028-29 biennium.

GENERAL FUND REVENUES

The FY2024-25 April forecast of the Nebraska Economic Forecasting Advisory Board, adjusted for 2025 legislation, is \$6,255,575,000 (\$6.245 billion April NEFAB plus \$10.575 million in General Fund transfers in authorized in the budget and enacted after the April forecast). Actual net receipts for FY2024-25 are \$6,159,041,662, which is \$96,533,338 below the forecasted amount (adjusted for legislation).

At the October 2025 meeting, the NEFAB revised the forecast for FY2025-26 and FY2026-27 downward to reflect the impact of federal legislation and incentive activity in sales tax. The revised forecast is \$6.95 billion in FY2025-26 and \$6.8 billion in FY2026-27. This is a reduction of \$119.8 million in FY2025-26 and a reduction of \$247.1 million in FY2026-27 from the prior estimates.

Revenue estimates for FY2025-26 and FY2026-27 are the February 2026 forecasts from the Nebraska Economic Forecast Advisory Board (NEFAB). These forecasts yield a projected adjusted revenue growth of 5.8% in FY2025-26 and 1.4% in FY2026-27, an average growth of 3.6%.

The NEFAB forecasts and projected “out year” revenue estimates are shown in Table 3. The members of the Appropriations Committee and Revenue Committee voted to approve the revenue estimates for FY2027-28 and FY2028-29, as shown in Table 3.

Rate and base adjusted growth in FY2027-28 and FY2028-29 are each 6.5%, for a two-year average annual growth rate of 6.5%. Five-year average annual growth for the status period is 3.7%.

GENERAL FUND APPROPRIATIONS

The budget enacted in the 2025 session reflects General Fund appropriations growth is 1.3% in FY2025-26 and 0.7% in FY2026-27, for a two-year average of 1.0%.

<u>2025 Enacted Budget</u>	FY2025-26	FY2026-27
Agency Operations	-0.3%	1.3%
State Aid to Ind/Other	2.3%	0.6%
State Aid to Local Govt	2.4%	-0.1%
Construction	1.2%	-1.2%
Total GF Percent Change	1.3%	0.7%
Two Year Average		1.0%

Estimated growth in General Fund appropriations in the following biennium, FY2027-28 and FY2028-29, is 2.1%. This estimation is calculated based on historical average growth in appropriations by area and type and as approved by the Revenue and Appropriations Committees in April 2025, as well as any additional increase due to 2025 legislation.

Following the midbiennium budget adjustments and additional legislation passed in the 2026 Session, General Fund appropriations growth is as follows:

<u>Enacted Budget with 2026 Adjustments</u>	FY2025-26	FY2026-27
Operations	-2.1%	0.6%
State Aid to Ind/Other	1.3%	-5.3%
State Aid to Local Govt	2.4%	-2.2%
Construction	1.2%	-1.2%
Total GF Percent Change	0.3%	-2.1%
Two Year Average		-0.9%

CASH RESERVE FUND

The Cash Reserve Fund (CRF) unobligated balance is projected at \$877.2 million at the end of FY2024-25. A transfer of \$10 million in FY2025-26 was approved in LB 3 (2024 Special Session). In the 2025 Session, the enacted budget utilizes an additional \$45.897 million in FY2025-26, approving a transfer to the Nebraska Capital Construction Fund for approved new construction projects and the reaffirmation for the final phase of the State Capitol HVAC project. Additionally, a transfer of \$152 million to the General Fund in FY2026-27 is included in the enacted budget via amendment to LB 264 and LB 265 to supplement the General Fund. The projected unobligated balance of \$669 million at the end of FY2026-27 at Sine Die of the 2025 Session.

In 2026, several changes were made.

- The FY2025-26 forecast was revised upward at the February NEFAB meeting by \$20 million. This \$20 million is estimated to be in excess of the certified forecast, which is the October NEFAB estimate. Based upon the changes in LB 650, the amount above the certified forecast was estimated to be transferred to the School District Property Tax Relief Credit Fund to be added to the minimum amount of credit pursuant to section 77-7305. However, the enacted budget amends section 77-4602, which governs automatic transfers of an amount in excess of the certified forecast to direct any excess receipts for FY2025-26 to the Cash Reserve Fund. As such, the \$20 million estimated to be above the July 2025 certified forecast is estimated to be transferred to the Cash Reserve Fund. The actual amount of any funds transferred depends on actual net receipts at the end of FY2025-26 as compared to the certified forecast.
- An additional transfer to the General Fund of \$152 million is authorized in FY2026-27, bringing the total transfer from the Cash Reserve Fund to the General Fund to \$304 million. The additional amount was necessary to balance the General Fund.
- The transfer amount to the NCCF in FY2025-26 was reduced from \$45.897 million to \$36.897 million, based on the amount of funds needed for approved projects.
- A transfer in FY2025-26 of \$500,000 from the Cash Reserve Fund to the Electrical Division Cash Fund, administered by the State Electrical Board, is authorized to supplement the agency's cash fund for cash flow purposes. The same amount, \$500,000, is transferred back to the Cash Reserve Fund from the Electrical Division Cash Fund in FY2026-27.
- An additional \$150,000 is transferred to the Self-Insured Liability Fund in FY2025-26 to pay for outside legal expenses incurred.

The total amount of funds transferred out of the Cash Reserve Fund in FY2025-26 is \$47.547 million to other funds and \$0 to the General Fund. The total amount of funds transferred out of the Cash Reserve Fund in FY2026-27 is \$500,000 to other funds and \$304 million to the General Fund. The estimated unobligated ending balance of the Cash Reserve Fund in FY2026-27 is \$546.0 million, which is about 8.2% of General Fund net receipts and 10.3% of General Fund appropriations.

LEGISLATION ENACTED

The mainline budget includes LB 260, LB 261, LB 262, LB 263, and LB 264 in 2025 and is adjusted by LB 1071 and LB 1072 in 2026. The following bills are incorporated into these budget bills.

Table 1 Bills Amended into 2025 and 2026 Budget Bills

Bill	One-Liner	Agency	Prog	Fund Type	FY2025-26	FY2026-27
2025 Session Bills Amended into Budget Bills						
LB 55	Medicaid rates for mental health providers	25	348	Cash, Fed	3,934,426	0
LB 57	To DHHS for Medicaid assisted-living facilities	25	348	Cash, Fed	3,225,754	0
LB 173	To community colleges for dual enrollment	83	151	Gen	5,000,000	5,000,000
LB 284	To DHHS for grant to Special Olympics	25	514	Cash	300,000	300,000
LB 348	To DHHS for domestic violence services	25	354	Cash	3,000,000	3,000,000
LB 451	Transfer funds from Unclaimed Property Trust	12, 65			0	0
LB 452	To DHHS for court appointed special advocate aid	25	514	Fed/TANF	500,000	500,000
LB 505	To DHHS for food assistance	25	347	Fed/TANF	10,000,000	0
LB 580	To DEE for lead service line replacement	84	513	Cash	0	0
LB 581	To DHHS for behavioral health services for youth in a facility with childhood development center	25	38	Cash	500,000	0
LB 621	To DHHS for community health centers	25	502	Cash	0	500,000
LB 627	To University for nursing residential facility	51	Const	Gen	250,000	0
2026 Session Bills Amended into Budget Bills						
LB 844	Provide for grants under the Site and Building Development Fund	72	603	Cash	0	0
LB 858	To DHHS for fed qualified community health centers	25	502	Cash	0	500,000
LB 862	Change intent for Nebraska Reading Improvement Act	13	158	Cash	0	0
LB 992	Create a Technology Infrastructure Fund	65	560		0	0
LB 1070	To DED for Affordable Housing	72	601	Cash	0	6,000,000
LB 1140	Earmark funds for a pilot program for vocational rehab	13	351	General	0	0
LB 1190	Expand mentorship grant earmark language	72	601	General	0	0
LB 1229	Create the Rural Health Transformation Fund	25	33		0	0
LB 1231	To Depart of Ag for animal damage	18	78	Cash	0	28,000
LB 1248	To Depart of Water, Energy, & Environment for grant	84	513		0	0
TOTAL - ALL FUNDS					26,710,180	15,828,000

In addition to the budget bills listed above, additional legislation impacting the General Fund was enacted. Revenue legislation resulted in a net gain to the General Fund, and appropriations legislation resulted in a net reduction to the General Fund. The following table shows this total impact to the General Fund by bill. Note: the appropriations shown as a positive number are an increase in appropriated General Funds, which has the effect of reducing General Funds available on the financial status. Appropriations shown as a negative number are a decrease in appropriated General Funds.

Table 2 Legislation Enacted – General Fund Impact Only

2025 Revenue Bills (General Fund only)	FY2025-26	FY2026-27	FY2027-28	FY2028-29
LB 208 Change sales tax collections fees, confidentiality	479,000	741,000	763,000	786,000
LB 478 Change NE Liquor Control Act	10,000	10,000	10,000	10,000
LB 650 Comm Dev Assistance Act and change tax provisions	11,817,000	39,476,000	46,752,045	43,571,705
LB 177 Amend Mechanical Amusement Device Tax Act	175,000	(175,000)	180,000	(180,000)
LB 391 Give to Enable Support Act	0	(46,000)	(53,000)	(67,000)
LB 647 Change tax provisions	(499,000)	(1,201,000)	(1,984,000)	(2,893,000)
LB 265 Change workforce development provisions	0	5,000,000	0	0
LB 707 Change Good Life District provisions	1,092,000	1,252,000	696,000	860,000
LB 649 Adopt the Defense Efforts Workforce Act	0	0	0	(4,000,000)
2025 Revenue Bills-Passed	13,074,000	45,057,000	46,364,045	38,087,705
2025 Appropriations Bills (General Fund only)	FY2025-26	FY2026-27	FY2027-28	FY2028-29
LB 50 Change nameplate capacity tax	indeterminate	indeterminate	indeterminate	indeterminate
LB 77 Adopt Ensuring Transparency in Prior Authorizations Act	0	0	0	1,100,000
LB 177 Amend Mechanical Amusement Device Tax Act	233,030	0	0	0
LB 275 Require DHHS to screen state wards for social security	0	958,512	958,512	1,039,271
LB 293 Change Professional Employer Org Registration Act	266,358	272,186	272,186	272,186
LB 298 Create the Legislative Oversight Division	0	0	210,609	210,609
LB 376 Change DHHS reporting requirements and services	0	0	0	1,686,532
LB 391 Give to Enable Support Act	98,687	0	0	0
LB 513 Change Judges' Salaries	517,262	1,036,130	1,036,130	1,036,130
LB 608 Change First Responder Recruitment & Retention Act	0	0	781,647	1,351,495
LB 613 Change local option sales tax provisions	90,200	88,000	88,000	88,000
LB 644 Adopt the Foreign Adversary and Terrorist Agent Reg Act	50,000	50,000	50,000	50,000
LB 707 Change Good Life District provisions	164,210	50,800	50,800	50,800
LB 647 Change tax provisions	65,087	0	0	0
2025 Appropriations Bills-Passed	1,484,834	2,455,628	3,447,884	6,885,023
2026 Revenue Bills (General Fund only)	FY2025-26	FY2026-27	FY2027-28	FY2028-29
LB 901 - Change tax provisions	0	21,521,000	22,764,000	23,025,000
LB 967 - Change insurance provisions	0	2,200,000	0	0
LB 803 - Change property tax provisions	0	0	(126,000)	(126,000)
LB 838 - Change financial provisions	0	4,902,000	6,831,000	7,138,000
LB 894 - Change Grain Warehouse Act	0	1,800	0	0
LB 935 - Change court fees	0	4,000,000	4,000,000	4,000,000
LB 954 - Provide for recalculation of base-year employees	0	0	indeterminate	indeterminate
LB 1126 - Change transportation provisions	0	(375)	(375)	(375)
LB 1165 - Change ImagiNE Act provisions	0	(3,952,000)	(5,718,000)	(10,852,000)
LB 1209 - Appropriate funds for A bills	0	(5,000,000)	0	0
2026 Revenue Bills-Passed	0	23,672,425	27,750,625	23,184,625

2026 Appropriations Bills (General Fund only)	FY2025-26	FY2026-27	FY2027-28	FY2028-29
LB 365 - Require coverage of blood pressure monitoring services	0	9,634	19,268	19,268
LB 455 - Change worker's compensation	0	indeterminate	indeterminate	indeterminate
LB 762 - Change insurance provisions	0	indeterminate	indeterminate	indeterminate
LB 803 - Change property tax provisions	0	1,287,868	1,003,783	1,007,183
LB 838 - Change financial provisions	0	523,247	136,300	140,300
LB 958 - Change Medical Assistance Provisions	0	0	0	1,546,350
LB 912 - Community Health Worker Training	0	187,151	338,010	338,010
LB 966 - Adopt the Hunger Free Schools Act	0	55,638	55,638	55,638
LB 972 - Change provisions related to license plates	0	72,400	69,400	71,600
LB 1209 - Appropriate funds for A bills	0	(23,411,170)	(28,884,016)	(32,667,170)
LB 1237 - Change security provisions in the State Capitol	0	0	994,164	994,164
2026 Appropriations Bills-Passed	0	(21,275,232)	(26,267,453)	(28,494,657)

GENERAL FUND FINANCIAL STATUS

End of 2026 Session April 17, 2026

	Actual FY2024-25	Current Biennium		Est for Following Biennium	
		FY2025-26	FY2026-27	FY2027-28	FY2028-29
1 BEGINNING BALANCE					
2 Beginning Cash Balance	1,843,296,751	792,515,104	340,532,226	337,014,453	(80,322,462)
3 Cash Reserve transfers-automatic	(38,746,104)	0	(20,000,000)	0	0
4 School Property Tax transfers-automatic	0	0	0	0	0
5 Carryover obligations from FY25	0	(313,227,424)	0	0	0
5a Lapse FY25/FY26 carryover (Enacted)	0	36,038,148	969,331	0	0
6 Allocation for potential deficits	0	0	0	0	(5,000,000)
7 Unobligated Beginning Balance	1,804,550,647	515,325,828	321,501,557	337,014,453	(85,322,462)
8 REVENUES & TRANSFERS					
9 Net Receipts (Includes 2025 Legislation)	6,159,041,662	6,970,000,000	6,625,000,000	6,859,104,045	7,240,395,705
10 General Fund transfers-out (2025)	(1,694,747,425)	(1,716,331,476)	(1,777,903,800)	(1,856,279,740)	(1,918,243,227)
10a General Fund transfers-out (2026)	0	(25,000)	22,250,000	0	0
11 General Fund transfers-in (current law)	in receipts	in forecast	in forecast	in estimate	in estimate
11a General Fund transfers-in (2026)	0	(91,502)	132,151,870	(3,200,000)	(3,200,000)
12 Cash Reserve transfers (current law)	4,000,000	0	152,000,000	0	0
12a Cash Reserve transfers (2026)	0	0	152,000,000	0	0
13 Inv. Earnings from cash funds (2026)	0	0	215,000	215,000	215,000
14 LB 1072 Revenue provisions (2026)	0	0	750,000	750,000	750,000
15 Accounting Adjustment	(5,664,537)	0	0	0	0
16 2026 Revenue Bills	0	0	23,672,425	27,750,625	23,184,625
17 General Fund Net Revenues	4,462,629,700	5,253,552,022	5,330,135,495	5,028,339,930	5,343,102,103
18 APPROPRIATIONS					
19 Expenditures / Appropriations	5,474,665,244	5,413,727,981	5,413,727,981	5,413,727,981	5,413,727,981
20 Mainline Budget (Enacted 2025)	0	70,823,963	107,123,200	107,123,200	107,123,200
21 Projected budget increase, following biennium	0	0	0	136,967,886	271,320,607
22 State Claims (LB 1133)	0	695,609	0	0	0
22 2026 Session Budget Adjustments	0	(56,901,929)	(185,874,769)	(185,874,769)	(185,874,769)
23 2026 Appropriations Bills	0	0	(20,353,813)	(26,267,453)	(28,494,657)
24 General Fund Appropriations	5,474,665,244	5,428,345,624	5,314,622,599	5,445,676,845	5,577,802,362
25 ENDING BALANCE					
26 \$ Ending balance (per Financial Status)	792,515,104	340,532,226	337,014,453	(80,322,462)	(320,022,721)
27 \$ Ending balance (at Min. Reserve 3.0%)			330,763,183		311,896,791
28 Excess (shortfall) from Minimum Reserve			6,251,270		(631,919,511)
29 Biennial Reserve (%)			3.1%		-2.9%
<u>General Fund Appropriations</u>					
30 Annual % Change - Appropriations (w/o deficits)	1.2%	0.3%	-2.1%	2.5%	2.4%
31 Two Year Average	2.7%	--	-0.9%	--	2.4%
<u>General Fund Revenues</u>					
32 Est. Revenue Growth (rate/base adjusted)	-1.7%	5.8%	1.4%	6.5%	6.5%
33 Two Year Average	1.4%	--	3.6%	--	6.5%
34 Five Year Average	7.5%	--	2.3%	--	3.7%
35 Unadjusted % change over prior year	-13.9%	13.2%	-4.9%	3.5%	5.6%
36 On-Going Revenues vs Appropriations	(955,098,280)	(174,793,602)	(288,487,103)	(396,948,364)	(196,981,077)

Chronology of the General Fund Financial Status

The 2025 Sine Die General Fund financial status (published June 2025), reflected \$4.1 million above the minimum reserve for the FY26/FY27 biennium, and \$129.1 million below the minimum reserve for the FY28/FY29 biennium. In July 2025, the Tax Rate Review Committee report reflected actual FY2024-25 revenues and expenditures, and the General Fund financial status reflected \$95.4 million below the minimum reserve for the FY26/FY27 biennium, and \$218.1 million below the minimum reserve for the FY28/FY29 biennium.

In November, the variance from the minimum reserve was estimated to be \$471.5 million below the minimum reserve for the FY26/FY27 biennium and \$690.3 million below the minimum reserve for the FY28/FY29 biennium. The change from July to November was largely due to revised revenues at the October NEFAB meeting, which incorporated the impact of federal legislation, and estimates of appropriations based upon costs of TEEOSA and special education. The November status was the starting point for the 2026 session.

The Nebraska Economic Forecasting Advisory Board (NEFAB) met on February 27, 2026, and revised the FY2025-26 forecast upward by \$20 million, which will be transferred to the Cash Reserve Fund in FY2026-27. The NEFAB revised the FY2026-27 forecast downward \$175 million, increasing the deficit to \$626.5 million.

The following table shows the various components, including changes within the midbiennium budget adjustment bills (LB 1071 and LB 1072) and additional revenue and appropriation bills enacted, which brought the variance from the minimum reserve to \$6.25 million above the reserve requirement. Appropriations reductions and increases in revenue are shown as positive numbers due to increasing General Funds available, and additional costs or revenue reductions are shown as negative numbers due to decreasing General Funds available.

Table 3 Chronology of the General Fund Financial Status – November 2025 to April 2026 (\$ in millions)

Changes to balance the budget: 2026 Session Nov TRR status (session starting point)		Surplus/Shortfall (471.53)		
		FY2025-26	FY2026-27	Surplus/Shortfall
February Revenue Forecast		20.00	(175.00)	(626.53)
Update Carryover Obligations		0.38	0.00	(626.14)
Remove Assumed Appropriation Increase		14.61	11.96	(599.57)
2026 Budget Bills (LB 1071 and LB 1072)				
	<i>Appropriations Changes</i>	56.90	185.87	(356.79)
	<i>Changes in GF Transfers Out</i>	(0.03)	22.25	(334.57)
	<i>GF Transfers In from Other Funds</i>	(0.09)	132.15	(202.51)
	<i>Transfer to Cash Reserve</i>	0.00	(20.00)	(222.51)
	<i>Transfer from Cash Reserve</i>	0.00	152.00	(70.51)
	<i>Inv. Earnings</i>	0.00	0.22	(70.29)
	<i>Workers Comp Assessment</i>	0.00	0.75	(69.54)
	<i>Lapse Reappropriations</i>	36.04	0.97	(32.53)
2026 State Claims (LB 1133)		(0.70)	0.00	(33.23)
2026 Revenue Bills		0.00	23.67	(9.56)
2026 A Bills		0.00	20.35	10.80
Change in Minimum Reserve			(4.54)	6.25
2026 Sine Die (ending point)				6.25

CASH RESERVE FUND

The Cash Reserve Fund (CRF) is not included as part of the "General Fund Reserve" (which is the ending General Fund balance for a biennium) and was created as a separate and distinct fund to cover cash flow needs within a short period. The CRF also serves as a "rainy day fund" in that revenues in excess of a "certified forecast" are transferred from the General Fund to CRF at the end of a fiscal year, subject to certain statutory requirements. As the certified forecast is basically the revenue estimate at Sine Die when the budget is finalized, these transfers sequester revenues in excess of that which is needed to balance the budget.

Table 4 Cash Reserve Fund Status – End of 2026 Session April 17, 2026

CASH RESERVE FUND	FY2024-25	FY2025-26	FY2026-27	FY2027-28	FY2028-29
Beginning Balance	912,817,475	877,079,779	829,532,779	546,032,779	496,032,779
Excess of certified forecasts (line 3 in Status)	38,746,104	0	20,000,000	0	0
To/from Gen Fund (Enacted 2025)	(4,000,000)	0	(152,000,000)	0	0
To/from Gen Fund (2026)	0	0	(152,000,000)	0	0
To Nebr Capital Construction Fund (NCCF)	(29,458,800)	(36,897,000)	0	0	0
To Gov Emerg Fund (LB 3 - 2024 Spec Session)	(25,000,000)	(10,000,000)	0	0	0
To Transformational Project Fund (LB1107-2020)	0	0	0	(50,000,000)	(50,000,000)
To Health and Human Services Cash	(3,500,000)	0	0	0	0
To Public Safety Comm Systems Revolving Fund	(2,425,000)	0	0	0	0
To State Insurance Fund	(5,000,000)	0	0	0	0
To Self-Insured Liability Fund	(100,000)	(150,000)	0	0	0
To Electrical Board Cash Fund	0	(500,000)	500,000	0	0
To Municipality Infrastructure Aid Fund (LB 600-2024)	(5,000,000)	0	0	0	0
Projected Unobligated Ending Balance	877,079,779	829,532,779	546,032,779	496,032,779	446,032,779
Ending Balance as % of Revenues	14.2%	11.9%	8.2%	7.2%	6.2%
Ending Balance as % of Expenditures	16.0%	15.3%	10.3%	9.1%	8.0%

Excess of Certified Forecasts

Shown on line 3 of the Financial Status, revenues in excess of "certified" forecasts are required by statute to be transferred from the General Fund to the Cash Reserve Fund (CRF). These would take place in July of the fiscal year following completion of that year.

The actual net receipts exceeded the July 2023 Certified forecast by \$718.7 million. Based upon the statute at the time, the amount was reduced so as not to exceed a balance in the Cash Reserve Fund of more than 16% of General Fund budgeted expenditures. The actual transfer to the Cash Reserve Fund at the beginning of FY2024-25 is \$38,746,104.

For fiscal year 2024-25, statutory language regarding transfers in excess of the certified forecast was amended in LB 34 (2024 Special Session) and LB 650 (2025). Because net receipts did not exceed the certified forecast (April NEFAB), there is no automatic transfer in FY2025-26 based upon the FY2024-25 net receipts.

The FY2025-26 forecast was revised upward at the February NEFAB meeting by \$20 million. This \$20 million is estimated to be in excess of the certified forecast, which is the October NEFAB estimate. Based upon the changes in LB 650, the amount above the certified forecast was estimated to be transferred to the School District Property Tax Relief Credit Fund to be added to the minimum amount of credit pursuant to section 77-7305. However, the enacted budget amends section 77-4602, which governs automatic transfers of an amount in excess of the certified forecast to direct any excess receipts for FY2025-26 to the Cash Reserve Fund. As

such, the \$20 million estimated to be above the July 2025 certified forecast is estimated to be transferred to the Cash Reserve Fund. The actual amount of any funds transferred depends on actual net receipts at the end of FY2025-26 as compared to the certified forecast.

Transfers-To & From General Fund

Unlike the automatic transfers that occur after the close of the fiscal year and are statutorily required, other transfers can take place as specifically enacted by the Legislature. In the 2025 session, two transfers from the Cash Reserve Fund to the General Fund were authorized in the enacted budget. In LB 264 (2025), \$147 million is transferred in FY2026-27. In LB 265 (2025), an additional \$5 million is transferred in FY2026-27, for a total transfer to the General Fund in the biennium of \$152 million. The transfers were necessary to balance the General Fund.

In the 2026 session, an additional transfer to the General Fund of \$152 million is authorized in FY2026-27, bringing the total transfer from the Cash Reserve Fund to the General Fund to \$304 million. The additional amount was necessary to balance the General Fund.

Transfers To & From Other Funds

In FY2025-26, LB 3 (2024 Special Session) included a transfer of \$10 million to the Governor's Emergency Fund. In addition, the enacted budget in the 2025 session includes two additional transfers: (1) a transfer of \$100,000 to the Self-Insured Liability Fund in FY2024-25; and (2) a transfer of \$45.897 million to the Nebraska Capital Construction Fund (NCCF) in FY2025-26 for construction projects. The enacted budget in the 2025 session also includes intent language to fund future years of obligations under the Transformational Project Act from the Cash Reserve Fund, beginning in FY2027-28.

In the 2026 session, the transfer amount to the NCCF in FY2025-26 was reduced from \$45.897 million to \$36.897 million, based on the amount of funds needed for approved projects.

Additionally, a transfer in FY2025-26 of \$500,000 from the Cash Reserve Fund to the Electrical Division Cash Fund, administered by the State Electrical Board, is authorized to supplement the agency's cash fund for cash flow purposes. The same amount, \$500,000, is transferred back to the Cash Reserve Fund from the Electrical Division Cash Fund in FY2026-27.

Finally, an additional \$150,000 is transferred to the Self-Insured Liability Fund in FY2025-26 to pay for outside legal expenses incurred.

The total amount of funds transferred out of the Cash Reserve Fund in FY2025-26 is \$47.547 million to other funds and \$0 to the General Fund. The total amount of funds transferred out of the Cash Reserve Fund in FY2026-27 is \$500,000 to other funds and \$304 million to the General Fund. The estimated unobligated ending balance of the Cash Reserve Fund in FY2026-27 is \$546.0 million, which is about 8.2% of General Fund net receipts and 10.3% of General Fund appropriations.

The table on the following page shows historical balances and use of the Cash Reserve Fund.

Table 5 Cash Reserve Fund – Historical Balances

	Beginning Balance	Direct Deposit and Interest	Automatic Transfers (1)	Legislative Transfers (2)		Cash Flow	Ending Balance	EB as % of revenues	EB as % of expend
				Gen Fund	Other Funds				
FY1983-84	0	37,046,760	na	0	0	0	37,046,760	4.7%	4.9%
FY1984-85	37,046,760	(1,472,551)	na	0	0	0	35,574,209	4.5%	4.4%
FY1985-86	35,574,209	227,855	na	(13,500,000)	0	0	22,302,064	2.7%	2.7%
FY1986-87	22,302,064	1,428,021	na	0	0	0	23,730,085	2.7%	2.8%
FY1987-88	23,730,085	1,654,844	na	0	(7,700,000)	0	17,684,929	1.7%	2.0%
FY1988-89	17,684,929	139,000	na	32,600,000	0	0	50,423,929	4.4%	5.1%
FY1989-90	50,423,929	113,114	na	(10,500,000)	0	0	40,037,043	3.5%	3.4%
FY1990-91	40,037,043	0	na	(8,100,000)	0	0	31,937,043	2.3%	2.3%
FY1991-92	31,937,043	0	na	(5,000,000)	0	0	26,937,043	1.8%	1.7%
FY1992-93	26,937,043	0	na	(9,500,000)	0	0	17,437,043	1.1%	1.1%
FY1993-94	17,437,043	0	3,063,462	7,250,000	0	0	27,750,505	1.7%	1.7%
FY1994-95	27,750,505	0	(8,518,701)	7,250,000	(6,000,000)	0	20,481,804	1.2%	1.2%
FY1995-96	20,481,804	0	(20,481,804)	18,189,565	0	0	18,189,565	1.0%	1.0%
FY1996-97	18,189,565	0	19,740,786	3,032,333	0	0	40,962,684	2.0%	2.2%
FY1997-98	40,962,684	0	91,621,018	0	0	0	132,583,702	6.3%	6.9%
FY1998-99	132,583,702	0	111,616,422	(96,500,000)	(2,000,000)	0	145,700,124	6.9%	6.5%
FY1999-00	145,700,124	0	20,959,305	3,500,000	(28,000,000)	0	142,159,429	5.9%	6.1%
FY2000-01	142,159,429	0	77,576,670	(24,500,000)	(25,000,000)	0	170,236,099	6.9%	6.9%
FY2001-02	170,236,099	0	0	(59,800,000)	(370,000)	0	110,066,099	4.7%	4.2%
FY2002-03	110,066,099	66,476,446	0	(87,400,000)	0	(30,000,000)	59,142,545	2.4%	2.3%
FY2003-04	59,142,545	59,463,461	0	(61,191,862)	(385,807)	30,000,000	87,028,337	3.2%	3.4%
FY2004-05	87,028,337	8,170,556	108,727,007	(26,000,000)	(758,180)	0	177,167,720	5.8%	6.5%
FY2005-06	177,167,720	0	261,715,297	0	(165,266,227)	0	273,616,790	8.2%	9.4%
FY2006-07	273,616,790	0	259,929,524	(15,674,107)	(1,784,416)	0	516,087,791	15.1%	16.5%
FY2007-08	516,087,791	0	191,436,773	(60,177,767)	(101,801,000)	0	545,545,797	15.6%	16.8%
FY2008-09	545,545,797	0	116,976,571	(54,990,505)	(29,340,000)	0	578,191,863	17.2%	17.4%
FY2009-10	578,191,863	0	0	(105,000,000)	(5,990,237)	0	467,201,626	14.6%	14.1%
FY2010-11	467,201,626	0	0	(154,000,000)	0	0	313,201,626	8.9%	9.4%
FY2011-12	313,201,626	8,422,528	145,155,092	(37,000,000)	3,560,802	(4,461,676)	428,878,372	11.6%	12.4%
FY2012-13	428,878,372	0	104,789,781	(78,000,000)	(76,008,427)	4,461,676	384,121,402	9.5%	10.7%
FY2013-14	384,121,402	0	285,292,610	49,400,000	251,294	0	719,065,306	17.5%	18.7%
FY2014-15	719,065,306	0	96,721,232	(67,701,112)	(20,250,000)	0	727,835,426	16.9%	18.1%
FY2015-16	727,835,426	0	84,599,532	0	(81,779,850)	0	730,655,108	17.0%	17.4%
FY2016-17	730,655,108	0	0	0	(50,000,000)	0	680,655,108	16.0%	15.7%
FY2017-18	680,655,108	265,729	0	(225,000,000)	(115,930,772)	0	339,990,065	7.4%	7.8%
FY2018-19	339,990,065	0	61,995,773	(48,000,000)	(20,436,714)	0	333,549,124	6.8%	7.6%
FY2019-20	333,549,124	0	176,378,178	0	(83,619,600)	0	426,307,702	8.6%	9.2%
FY2020-21	426,307,702	0	10,655,528	(30,000,000)	60,000,972	0	466,964,202	7.8%	10.3%
FY2021-22	466,964,202	0	535,259,366	50,000,000	(124,700,000)	0	927,523,568	14.6%	19.9%
FY2022-23	927,523,568	0	1,287,998,995	40,000,000	(617,670,000)	0	1,637,852,563	25.7%	31.8%
FY2023-24	1,637,852,563	0	2,982,492	440,000,000	(1,168,017,580)	0	912,817,475	12.8%	17.2%
FY2024-25	912,817,475	0	38,746,104	(4,000,000)	(70,483,800)	0	877,079,779	14.2%	16.0%
FY2025-26 Est	877,079,779	0	0	0	(47,547,000)	0	829,532,779	11.9%	15.3%
FY2026-27 Est	829,532,779	0	20,000,000	(304,000,000)	500,000	0	546,032,779	8.2%	10.3%
FY2027-28 Est	546,032,779	0	0	0	(50,000,000)	0	496,032,779	7.2%	9.1%
FY2028-29 Est	496,032,779	0	0	0	(50,000,000)	0	446,032,779	6.2%	8.0%

(1) Automatic transfers reflect the prior year variance from forecast. For example, the \$2.982 million transfer in FY23-24 actually reflects FY22-23 “excess” receipts compared to the certified forecast. Prior to FY95-96, the transfers occurred in all cases; after FY95-96, transfers only occurred if receipts exceeded forecast.

(2) Legislative transfers are enacted by legislation and include transfers to the General Fund or other funds.

Table 6 Use of Cash Reserve Fund Monies by Decade

	Automatic Transfers & Direct Deposit	To Gen Fund (Legislative)	To Other Funds (Legislative)	Total Transfers (Legislative)	% to GF	% to Other Funds
FY90 to FY99	197,041,183	(93,878,102)	(8,000,000)	(101,878,102)	92.1%	7.9%
FY00 to FY09	1,171,431,610	(386,234,241)	(352,705,630)	(738,939,871)	52.3%	47.7%
FY10 to FY19	787,242,277	(665,301,112)	(366,583,904)	(1,031,885,016)	64.5%	35.5%
FY20 to FY29 est	2,212,020,663	192,000,000	(2,201,537,008)	(2,009,537,008)	-9.6%	109.6%

Table 6 shows the total amount, by decade, transferred into the Cash Reserve Fund by automatic transfers or direct deposit. Additionally, the table shows the total amount transferred to the General Fund and the total transferred to all other funds. As you can see, for the current decade (the last four years of which are estimated based on current law), the total amount transferred from the General Fund exceeds the amount transferred to the General Fund, for a net gain to the Cash Reserve Fund of \$192 million. The table also shows that in the three previous decades, between 52% and 92% of all funds utilized were transferred to the General Fund. In the current decade, it is estimated that \$2.2 billion are transferred from the Cash Reserve Fund to other funds, which is supplemented by the \$192 million transferred from the General Fund.

GENERAL FUND REVENUES

General Fund Revenue Forecasts

Revenue estimates for FY2025-26 and FY2026-27 are the February 2026 forecasts from the Nebraska Economic Forecast Advisory Board (NEFAB). These forecasts yield a projected adjusted revenue growth of 5.8% in FY2025-26 and 1.4% in FY2026-27, an average growth of 3.6%.

The NEFAB forecasts and projected “out year” revenue estimates are shown in Table 3. The members of the Appropriations Committee and Revenue Committee voted to approve the revenue estimates for FY2027-28 and FY2028-29, as shown in Table 3.

Rate and base adjusted growth in FY2027-28 and FY2028-29 are each 6.5%, for a two-year average annual growth rate of 5.6%. Five-year average annual growth for the status period is 3.7%.

Table 7 General Fund Revenue Forecasts and Growth Rates (Adjusted for 2026 Legislation)

	Actual FY2024-25	NEFAB+Bills FY2025-26	NEFAB+Bills FY2026-27	LFO Prelim+Bills FY2027-28	LFO Prelim+Bills FY2028-29
<u>Actual/Forecast</u>					
Sales and Use Tax	2,516,744,199	2,765,000,000	2,512,870,000	2,800,005,045	3,081,368,705
Individual Income Tax	2,179,933,889	2,975,000,000	3,077,192,000	3,081,228,000	3,161,457,250
Corporate Income Tax	1,075,085,078	740,000,000	711,048,000	693,901,000	699,990,750
Miscellaneous receipts	387,278,497	489,908,498	480,679,295	309,485,625	318,528,625
Total General Fund Revenues	6,159,041,662	6,969,908,498	6,781,789,295	6,884,619,670	7,261,345,330
<u>Adjusted Growth</u>					
Sales and Use Tax	1.7%	8.8%	-9.4%	11.1%	9.8%
Individual Income Tax	-3.7%	11.5%	9.5%	4.4%	4.1%
Corporate Income Tax	0.2%	-20.1%	2.5%	4.5%	8.5%
Miscellaneous receipts	-10.8%	-21.4%	-9.9%	3.2%	10.4%
Total General Fund Revenues	-1.7%	5.8%	1.4%	6.5%	6.5%
Two Yr Average	1.4%	--	3.6%	--	6.5%
Five Yr Average	7.5%	--	2.3%	--	3.7%
<u>Unadjusted Growth</u>					
Sales and Use Tax	2.4%	9.9%	-9.1%	11.4%	10.0%
Individual Income Tax	-12.1%	36.5%	3.4%	0.1%	2.6%
Corporate Income Tax	-37.7%	-31.2%	-3.9%	-2.4%	0.9%
Miscellaneous receipts	-21.4%	26.5%	-1.9%	-35.6%	2.9%
Total General Fund Revenues	-13.9%	13.2%	-2.7%	1.5%	5.5%
Two Yr Average	-0.8%	--	5.2%	--	3.5%
Five Yr Average	5.2%	--	1.8%	--	0.7%

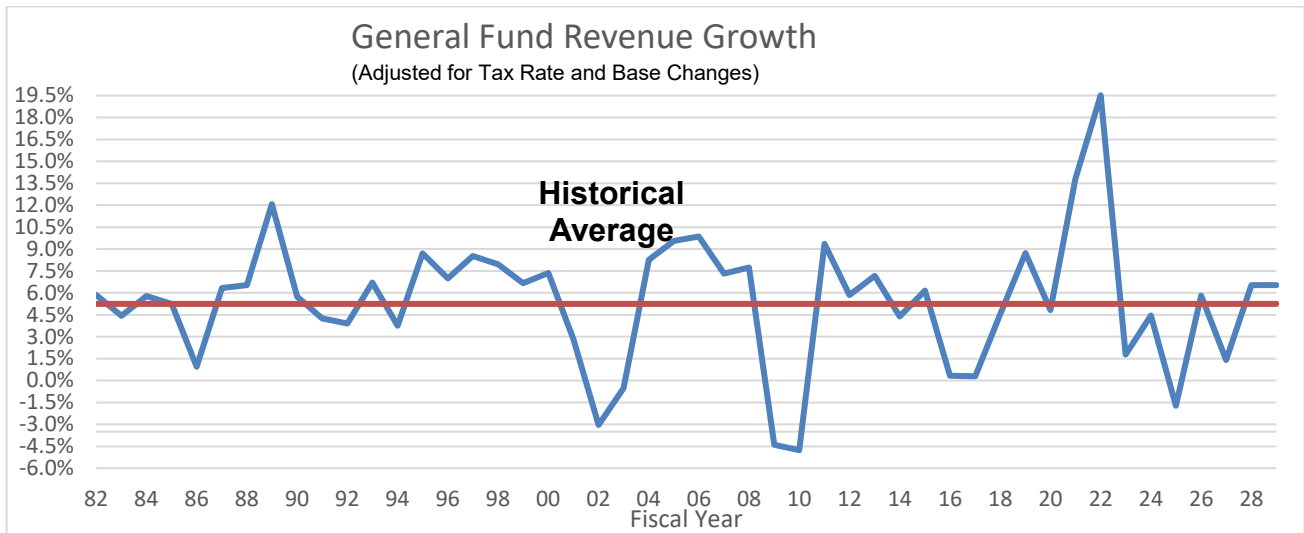
Table 8 Chronology of General Fund Revenue Forecasts FY2024-25 through FY2028-29 (\$ in thousands)

	Sales/Use	Individual	Corporate	Misc	Total Forecast	Change in Forecast		
						Forecast	Bills	Total
FY2024-25								
LFO Prelim-October 2020	2,272,000	3,077,000	387,000	190,000	5,926,000	0	0	0
Sine Die-2021 Session	2,240,906	2,986,763	352,378	186,544	5,766,591	(0)	(159,409)	(159,409)
LFO Prelim-October 2021	2,240,906	2,986,763	352,378	186,544	5,766,591	0	0	0
LFO Prelim-February 2022	2,361,000	3,027,000	492,000	207,000	6,087,000	320,409	0	320,409
Sine Die-2022 Session	2,350,972	2,559,438	385,359	200,403	5,496,172	0	(590,828)	(590,828)
Board Est-October 2022	2,600,000	3,275,000	450,000	230,000	6,555,000	1,058,828	0	1,058,828
Board Est-February 2023	2,600,000	3,275,000	450,000	230,000	6,555,000	0	0	0
Board Est-April 2023	2,600,000	3,225,000	525,000	260,000	6,610,000	55,000	0	55,000
Sine Die 2023 Session	2,590,618	2,986,557	505,412	295,698	6,378,285	(0)	(231,715)	(231,715)
Board Est-October 2023	2,560,000	2,945,000	580,000	280,000	6,365,000	(13,285)	0	(13,285)
Board Est-Feb 2024	2,600,000	2,230,000	740,000	270,000	5,840,000	(525,000)	0	(525,000)
Sine Die 2024 Session	2,598,904	2,229,604	739,602	320,769	5,888,879	(0)	48,879	48,879
Sine Die 2024 Special Session	2,598,904	2,738,226	796,115	343,019	6,476,264	(0)	587,385	587,385
Board Est-Oct 2024	2,500,000	2,500,000	960,000	375,000	6,335,000	(141,264)	0	(141,264)
Board Est-Feb 2025	2,500,000	2,450,000	1,135,000	350,000	6,435,000	100,000	0	100,000
Board Est-April 2025	2,495,000	2,300,000	1,100,000	350,000	6,245,000	(190,000)	0	(190,000)
Sine Die 2025 Session	2,495,000	2,300,000	1,100,000	360,575	6,255,575	0	10,575	10,575
Actual Receipts	2,516,744	2,179,934	1,075,085	387,278	6,159,042	(96,533)	0	(96,533)
Change: First Prelim to Actual	244,744	(897,066)	688,085	197,278	233,042	568,156	(335,114)	233,042
Change: First NEFAB to Actual	(83,256)	(1,095,066)	625,085	157,278	(395,958)	(811,082)	415,124	(395,958)
FY2025-26								
LFO Prelim-October 2022	2,688,855	3,356,511	427,561	226,700	6,699,627	0	0	0
LFO Prelim-February 2023	2,665,636	3,374,330	442,907	229,139	6,712,012	12,385	0	12,385
LFO Prelim-April 2023	2,655,650	3,294,000	536,000	266,000	6,751,650	39,638	0	39,638
Sine Die 2023 Session	2,645,622	2,924,006	489,928	262,489	6,322,044	0	(429,606)	(429,606)
LFO Prelim - November 2023	2,658,679	2,959,377	515,698	226,136	6,359,890	37,846	0	37,846
LFO Prelim - February 2024	2,658,679	2,959,377	515,698	226,136	6,359,890	0	0	0
Sine Die 2024 Session	2,656,467	2,948,082	518,983	225,588	6,349,120	(0)	(10,770)	(10,770)
Sine Die 2024 Special Session	2,656,467	3,532,518	583,920	304,338	7,077,243	0	728,123	728,123
Board Est-Oct 2024	2,600,000	3,150,000	870,000	330,000	6,950,000	(127,243)	0	(127,243)
Board Est-Feb 2025	2,600,000	3,150,000	885,000	320,000	6,955,000	5,000	0	5,000
Board Est-April 2025	2,600,000	3,050,000	900,000	315,000	6,865,000	(90,000)	0	(90,000)
Sine Die 2025 Session	2,604,938	3,054,963	902,988	506,950	7,069,839	(0)	204,839	204,839
Board Est-Oct 2025	2,665,000	3,000,000	785,000	500,000	6,950,000	(119,839)	0	(119,839)
Board Est-Feb 2026	2,765,000	2,975,000	740,000	490,000	6,970,000	20,000	0	20,000
Sine Die 2026 Session	2,765,000	2,975,000	740,000	489,908	6,969,908	(0)	(92)	(92)
Change: First Prelim to Current	(23,855)	(356,511)	357,439	273,300	250,373	(222,212)	492,494	270,281
Change: First NEFAB to Current	165,000	(175,000)	(130,000)	159,908	19,908	(184,839)	204,747	19,908

	Sales/Use	Individual	Corporate	Misc	Total Forecast	Change in Forecast		
						Forecast	Bills	Total
FY2026-27								
LFO Prelim-October 2022	2,777,473	3,463,213	432,510	218,275	6,891,471	0	0	0
LFO Prelim-February 2023	2,771,182	3,451,324	442,402	217,054	6,881,962	(9,509)	0	(9,509)
LFO Prelim-April 2023	2,735,320	3,392,820	552,080	273,980	6,954,200	72,238	0	72,238
Sine Die 2023 Session	2,712,224	2,856,506	484,006	270,559	6,323,294	0	(630,905)	(630,905)
LFO Prelim - November 2023	2,763,256	2,794,599	497,574	211,703	6,267,132	(56,162)	0	(56,162)
LFO Prelim - February 2024	2,763,256	2,794,599	497,574	211,703	6,267,132	0	0	0
Sine Die 2024 Session	2,760,833	2,775,518	496,747	211,182	6,244,279	(0)	(22,853)	(22,853)
Sine Die 2024 Special Session	2,760,833	3,382,133	564,148	280,932	6,988,045	(0)	743,766	743,766
Board Est-Oct 2024	2,700,000	3,140,000	825,000	300,000	6,965,000	(23,045)	0	(23,045)
Board Est-Feb 2025	2,700,000	3,200,000	825,000	300,000	7,025,000	60,000	0	60,000
Board Est-April 2025	2,700,000	3,100,000	825,000	300,000	6,925,000	(100,000)	0	(100,000)
Sine Die 2025 Session	2,723,218	3,111,753	830,251	381,901	7,047,123	(0)	122,123	122,123
Board Est-Oct 2025	2,600,000	3,060,000	780,000	360,000	6,800,000	(247,123)	0	(247,123)
Board Est-Feb 2026	2,500,000	3,075,000	715,000	335,000	6,625,000	(175,000)	0	(175,000)
Sine Die 2026 Session	2,512,870	3,077,192	711,048	480,679	6,781,789	(0)	156,789	156,789
Change: First Prelim to Current	(177,473)	(403,213)	347,490	141,725	(91,471)	(478,602)	368,920	(109,682)
Change: First NEFAB to Current	(187,130)	(62,808)	(113,952)	180,679	(183,211)	(462,123)	278,912	(183,211)
FY2027-28								
LFO Prelim-October 2024	2,921,706	3,181,620	843,190	312,224	7,258,740	0	0	0
LFO Prelim-February 2025	2,911,706	3,171,620	843,190	312,224	7,238,740	(20,000)	0	(20,000)
Sine Die 2025 Session	2,936,164	3,186,907	849,619	331,414	7,304,104	0	65,364	65,364
LFO Prelim - October 2025	2,871,164	3,161,907	819,619	335,414	7,188,104	(116,000)	0	(116,000)
LFO Prelim -Feb 2026	2,786,164	3,081,907	699,619	291,414	6,859,104	(329,000)	0	(329,000)
Sine Die 2026 Session	2,800,005	3,081,228	693,901	309,486	6,884,620	0	25,516	25,516
Change: First Prelim to Current	(121,701)	(100,392)	(149,289)	(2,738)	(374,120)	(465,000)	90,880	(374,120)
FY2028-29								
LFO Prelim-October 2024	3,152,299	3,268,473	911,594	340,942	7,673,308	0	0	0
LFO Prelim-February 2025	3,152,299	3,268,473	911,594	340,942	7,673,308	0	0	0
Sine Die 2025 Session	3,177,562	3,277,219	915,843	359,772	7,730,396	(0)	57,088	57,088
LFO Prelim - October 2025	3,187,562	3,287,219	895,843	371,772	7,742,396	12,000	0	12,000
LFO Prelim -Feb 2026	3,067,562	3,162,219	710,843	299,772	7,240,396	(502,000)	0	(502,000)
Sine Die 2026 Session	3,081,369	3,161,457	699,991	318,529	7,261,345	0	20,950	20,950
Change: First Prelim to Current	(70,930)	(107,016)	(211,603)	(22,413)	(411,963)	(490,000)	78,038	(411,963)

Table 9 Actual and Projected General Fund Revenues

Fiscal Year	Sales and Use Tax	Individual Income Tax	Corporate Income Tax	Miscellaneous Taxes/Fees	Total Net Receipts	Unadj. % Change	Adjusted Growth**
FY 2000-01	905,023,176	1,233,363,553	138,040,082	180,435,044	2,456,861,855	2.2%	2.9%
FY 2001-02	918,889,782	1,159,810,647	107,628,074	179,180,246	2,365,508,749	-3.7%	-3.0%
FY 2002-03	1,028,931,065	1,129,421,651	111,597,405	186,449,714	2,456,399,835	3.8%	-0.5%
FY 2003-04	1,114,374,321	1,249,890,025	167,429,431	187,033,230	2,718,727,007	10.7%	8.3%
FY 2004-05	1,231,011,089	1,400,076,680	198,380,442	207,726,086	3,037,194,297	11.7%	9.5%
FY 2005-06	1,263,678,691	1,545,338,061	262,295,456	280,875,316	3,352,187,524	10.4%	9.9%
FY 2006-07	1,303,826,416	1,650,895,394	213,027,010	240,582,953	3,408,331,773	1.7%	7.3%
FY 2007-08	1,321,867,139	1,726,145,405	232,851,654	225,298,373	3,506,162,571	2.9%	7.7%
FY 2008-09	1,326,161,017	1,600,418,236	198,483,786	232,405,148	3,357,468,187	-4.2%	-4.4%
FY 2009-10	1,289,796,877	1,514,830,114	154,332,137	245,720,545	3,204,679,673	-4.6%	-4.8%
FY 2010-11	1,372,784,033	1,735,208,600	154,944,966	236,717,493	3,499,655,092	9.2%	9.4%
FY 2011-12	1,436,909,373	1,822,884,254	234,266,237	201,828,916	3,695,888,780	5.6%	5.9%
FY 2012-13	1,474,942,641	2,101,912,041	275,562,990	199,940,938	4,052,358,610	9.6%	7.2%
FY 2013-14	1,524,793,763	2,060,758,896	306,591,027	225,264,546	4,117,408,232	1.6%	4.4%
FY 2014-15	1,535,419,516	2,205,463,903	346,477,378	217,738,529	4,305,099,326	4.6%	6.2%
FY 2015-16	1,528,023,310	2,221,088,817	307,669,694	251,199,454	4,307,981,275	0.1%	0.3%
FY 2016-17	1,548,388,848	2,224,840,053	264,439,713	228,103,331	4,265,771,945	-1.0%	0.3%
FY 2017-18	1,602,737,358	2,360,595,935	313,689,521	289,972,959	4,566,995,773	7.1%	4.5%
FY 2018-19	1,658,107,133	2,545,680,039	423,737,571	268,853,778	4,896,378,521	7.2%	8.7%
FY 2019-20	1,848,235,959	2,445,647,485	391,163,752	254,715,415	4,939,762,611	0.9%	4.8%
FY 2020-21	2,009,748,270	3,130,599,324	571,220,324	247,474,510	5,959,042,428	20.6%	13.8%
FY 2021-22	2,133,152,081	3,243,237,593	715,152,736	257,452,292	6,348,994,702	6.5%	19.5%
FY 2022-23	2,335,899,936	3,005,952,059	692,964,729	333,165,768	6,367,982,492	0.3%	1.8%
FY 2023-24	2,458,834,067	2,479,054,187	1,724,908,135	493,014,191	7,155,810,580	12.4%	4.5%
FY 2024-25	2,516,744,199	2,179,933,889	1,075,085,078	387,278,497	6,159,041,662	-13.9%	-1.7%
FY 2025-26 NEFAB+Bills	2,765,000,000	2,975,000,000	740,000,000	489,908,498	6,969,908,498	13.2%	5.8%
FY 2026-27 NEFAB+Bills	2,512,870,000	3,077,192,000	711,048,000	480,679,295	6,781,789,295	-2.7%	1.4%
FY2027-28 Prelim+Bills	2,800,005,045	3,081,228,000	693,901,000	309,485,625	6,884,619,670	1.5%	6.5%
FY2028-29 Prelim+Bills	3,081,368,705	3,161,457,250	699,990,750	318,528,625	7,261,345,330	5.5%	6.5%
Current 5 Year Status	4.1%	5.1%	0.1%	-6.5%	3.7%		
Above Average Years	6.0%	10.1%	14.6%	3.9%	8.3%		
Below Average Years	2.4%	2.1%	-2.8%	2.3%	1.7%		
Historical Average	4.5%	6.6%	5.9%	2.1%	5.2%		



2026 Revenue Legislation

There were several significant revenue bills enacted in the 2026 legislative session. The following tables show the total General Fund revenue by fiscal year, as adjusted by the impact of legislation, as well as total adjustments by bill and type of tax. A narrative description of the major bills in numerical order follows the tables. A large portion of the total revenue gain is in miscellaneous receipts, which includes transfers into the General Fund from various state funds as well as the direct crediting of investment earnings from other funds to the General Fund. These changes are included in the budget bills, LB 1071 and LB 1072.

Table 10 Estimated General Fund Revenue with Adjustment for 2026 Revenue Legislation

Revenue Estimates	NEFAB FY2025-26	NEFAB FY2026-27	LFO Prelim FY2027-28	LFO Prelim FY2028-29
Sales and Use Tax	2,765,000,000	2,500,000,000	2,786,164,045	3,067,561,705
Individual Income Tax	2,975,000,000	3,075,000,000	3,081,907,000	3,162,219,250
Corporate Income Tax	740,000,000	715,000,000	699,619,000	710,842,750
Miscellaneous receipts	490,000,000	335,000,000	291,414,000	299,772,000
Total Revenues	6,970,000,000	6,625,000,000	6,859,104,045	7,240,395,705
2026 Session Legislation	FY2025-26	FY2026-27	FY2027-28	FY2028-29
Sales and Use Tax	0	12,870,000	13,841,000	13,807,000
Individual Income Tax	0	2,192,000	(679,000)	(762,000)
Corporate Income Tax	0	(3,952,000)	(5,718,000)	(10,852,000)
Miscellaneous receipts	(91,502)	145,679,295	18,071,625	18,756,625
Total 2026 Session Legislation	(91,502)	156,789,295	25,515,625	20,949,625
Total GF Revenues	NEFAB+Bills FY2025-26	NEFAB+Bills FY2026-27	LFO Prelim+bills FY2027-28	LFO Prelim+bills FY2028-29
Sales and Use Tax	2,765,000,000	2,512,870,000	2,800,005,045	3,081,368,705
Individual Income Tax	2,975,000,000	3,077,192,000	3,081,228,000	3,161,457,250
Corporate Income Tax	740,000,000	711,048,000	693,901,000	699,990,750
Miscellaneous receipts	489,908,498	480,679,295	309,485,625	318,528,625
Total General Fund Revenues	6,969,908,498	6,781,789,295	6,884,619,670	7,261,345,330

Table 11 Adjustments for 2026 Revenue Legislation by Bill and Type of Tax

Revenue Bills	FY2025-26	FY2026-27	FY2027-28	FY2028-29	Type
LB 803 - Change property tax provisions	0	0	(126,000)	(126,000)	ind
LB 838 - Change financial provisions	0	4,902,000	6,831,000	7,138,000	misc
LB 894 - Change Grain Warehouse Act	0	1,800	0	0	misc
LB 901 - Change tax provisions	0	6,459,000	9,476,000	9,854,000	misc
LB 901 - Change tax provisions	0	2,192,000	(553,000)	(636,000)	ind
LB 901 - Change tax provisions	0	12,870,000	13,841,000	13,807,000	sales
LB 935 - Change court fees	0	4,000,000	4,000,000	4,000,000	misc
LB 967 - Change insurance provisions*	0	2,200,000	0	0	misc
LB 1126 - Change transportation provisions	0	(375)	(375)	(375)	misc
LB 1165 - Change ImagiNE Act provisions	0	(3,952,000)	(5,718,000)	(10,852,000)	corp
LB 1209 - Appropriate funds for A bills*	0	(5,000,000)	0	0	misc
Revenue Bills-Passed	0	23,672,425	27,750,625	23,184,625	
Cash Fund Transfers In - Budget bills	(91,502)	132,151,870	(3,200,000)	(3,200,000)	misc
Investment Earnings - Budget bills	0	215,000	215,000	215,000	misc
Workers Comp Assessment - Budget bills	0	750,000	750,000	750,000	misc
Total Revenue Bills to add to NEFAB forecast	(91,502)	156,789,295	25,515,625	20,949,625	

*LB 967 contained a new transfer and LB 1209 amended an existing transfer of funds to the General Fund. The bills are not discussed in detail below.

LB 803

The provisions of LB 938 and LB 1116, which were amended into LB 803 connect to General Fund fiscal impacts. These provisions from the bill are discussed below.

Provisions of LB 938

The bill creates the First-Time Home Buyer Savings Account Act. This Act allows taxpayers who have never owned or purchased under contract for deed a single-family, owner-occupied primary residence to open a first-time home buyer savings account to be used to pay eligible expenses for the purchase or construction of a primary residence in Nebraska. Contributions to such an account are limited to \$5,000 per tax year for an individual and \$10,000 for joint filers, with a maximum of \$25,000 for individuals and \$50,000 for joint filers for all contributions for all taxable years.

The bill amends section 77-2716 to provide that for taxable years beginning on or after January 1, 2027, federal adjusted gross income shall be reduced by the amount contributed to a first-time home buyer savings account not to exceed \$5,000 for individuals and \$10,000 for those married filing jointly and, to the extent included, by an amount equal to any interest and other income earned during the taxable year on the investment of money in a first-time home buyer savings account. Federal adjusted gross income shall be increased by amounts recaptured.

Eligible expenses include down payments and any closing costs included on a real estate settlement statement or any down payment costs and fees that may be included as part of financing the construction of a primary residence.

The bill requires that the Department of Revenue (DOR) establish a form for account holders to annually report information about the first-time home buyer savings account.

Provisions of LB 1116

The bill amends the Sports Arena Facility Financing Assistance Act.

The bill amends section 13-3103 to provide that no more than 10 years, a change from 5 years, of funding for a sports complex located in a city of the second class or village shall be paid by state assistance received pursuant to section 13-3108.

The bill amends section 13-3105 to provide that within 60 days after completing the board's review of an application under subsection (4) of section 13-3104, the board shall hold a public hearing on the application.

The bill amends section 13-3106 to provide that after consideration of the application and the evidence, the board shall determine whether or not to approve the application. For applications submitted on or after the operative date of this section, the board shall make its determination within 60 days after the public hearing held pursuant to section 13-3105. For applications submitted prior to the operative date of this section, the board shall make its determination within 60 days after the public hearing held pursuant to section 13-3105 or within 60 days after the operative date of this section, whichever period is later. The applications shall be approved unless the board finds that the project described in the application is ineligible or that state assistance is not in the best interest of the state.

The bill provides that in determining whether state assistance is in the best interest of the state, the board may, changed from shall, consider the fiscal and economic capacity of the applicant to finance the local share of the project.

Under the bill, all actions of the board shall be by a majority vote of the board members present at the board meeting, a change from a majority vote of all the board members, one of whom must be the Governor.

The bill amends section 13-3108 to provide that if the state assistance will be used to provide funding for a sports complex located in a city of the second class or village, such state assistance to the political subdivision shall no longer be available after 10 years, a change from 5 years, of funding or when state assistance reaches \$100 million, whichever comes first.

Revenues:

The bill has the following negative impact to General Fund revenues as a result of the provisions connected to LB 938:

- FY28: (\$126,000)
- FY29: (\$126,000)

For the provisions connected to LB 1116, based on the current number of applications and assuming they all get approved, these projects would decrease General Fund revenues by approximately \$24 million annually.

LB 838

The bill provides an excise tax of 25% on any remittance transfer to a resident of a foreign adversary country, with the exception of Cuba and Venezuela. The bill also specifies exemptions to the excise tax for active-duty members of the armed forces or dependents of such members, withdrawals from specific accounts held in or by a financial institution, and remittance transfers funded with a debit card or credit card issued in the United States.

The bill changes provisions relating to applicants and licensees under the Nebraska Money Transmitters Act. The bill updates compliance standards and sets requirements for informal value transfer services. Additionally, the bill prohibits money transmission activities by entities from countries that are considered foreign adversaries and would add certifications and screening requirements to verify applicants.

The provisions of the bill have the following positive impact to General Fund revenues:

- FY27: \$4,902,000
- FY28: \$6,831,000
- FY29: \$7,138,000

LB 894

LB 894 adds a requirement that all grain dealers, including those currently licensed through the United States Department of Agriculture (USDA), prior to July 1, 2027 must be licensed by the Nebraska Public Service Commission (PSC) and pay the current annual fee of \$100 which is credited to the General Fund.

The change results in an increase of General Fund revenues by \$1,800 in FY27 as a result of 18 grain dealers which currently are licensed through the USDA required to apply for Nebraska grain dealer licenses.

LB 901

The provisions of LB 1131, LB 1110, LB 890, LB 1109, LB 920, and LB 873 in LB 901 connect to General Fund fiscal impacts. These provisions amended into the bill are discussed below.

Modified Provisions of LB 1131

The bill establishes the Domestic Violence and Human Trafficking Service Providers Tax Credit Act. For taxable years beginning on or after January 1, 2027, there shall be allowed refundable credits against the income tax imposed by the Nebraska Revenue Act of 1967 as follows:

- \$240,000 of tax credits to be distributed equally among qualifying domestic violence and sexual assault programs run by tribal governments;
- \$150,000 of tax credits to be distributed to a statewide coalition representing nonprofit organizations that have an affiliation agreement with the Department of Health and Human Services (DHHS) to provide services to victims of domestic abuse under the Protection from Domestic Abuse Act;
- \$1,044,000 of tax credits to be distributed equally to entities described in items 1 and 2 and any other nonprofit organizations that operate a shelter for victims of domestic violence or human trafficking; and
- \$1,566,000 of tax credits to be distributed to entities described in items 1 and 2 and any other nonprofit organizations that operate a shelter for victims of domestic violence or human trafficking as follows:
 - \$1,252,800 of tax credits to be distributed based on the population of the program or service area as shown by the latest federal decennial census or as determined by the DOR if such census data is not available; and
 - \$313,200 of tax credits to be distributed based on the square miles of the program or service area.

Modified Provisions of LB 1110

The bill amends section 77-27,107 to provide that the Tax Commissioner may register a claim for any delinquent taxes due and owing as a judgment in the office of the clerk of the district court of Lancaster County in the same manner as a foreign judgment is filed under the Nebraska Uniform Enforcement of Foreign Judgments Act.

Modified Provisions of LB 890

The bill amends section 77-3004 to change the occupation tax on mechanical amusement devices that are not cash devices to the following:

- \$35 prior to January 1, 2027, except that for such mechanical amusement devices placed in operation after July 1, and before January 1 of any such year, the occupation tax shall be \$20 for each mechanical amusement device; and
- For calendar year 2027 and each calendar year thereafter, the occupation tax is \$70.

These occupation taxes shall be remitted to the State Treasurer for credit as follows:

- 20% to the DOR Enforcement Fund; and
- 80% to the General Fund.

Previously, these occupation taxes were fully credited to the General Fund.

Modified Provisions of LB 1109

The bill repeals the following sales and use tax exemptions:

- For nonprofit organizations under section 77-2704.12 (1)(j)
- Species of game birds subject to permit and regulation by the Game and Parks Commission
- Community-based energy development (C-BED) project exemptions under section 77-2704.57
- Mineral oil to be applied to grain as a dust suppressant
- Biochips used for the purposes of conducting genotyping or the analysis of gene expression, protein expression, genomic sequencing, or protein profiling of plants, animals, or nonhuman laboratory research model organisms
- Data center exemptions under section 77-2704.62

The bill amends the following tax credits:

- The renewable energy credit under section 77-27, 235 ends at the end of FY26
- Removes the credit allowed under section 77-5803 of the Nebraska Advantage Research and Development Act from being able to be used as a refundable credit claimed on an income tax return of the taxpayer
- Removes Waste Treatment and Disposal— 5622 as a qualified location under section 77-6818 of the ImagiNE Nebraska Act

Modified Provisions of LB 920

The bill amends the tax upon the net operating revenue of cash devices from 5% to 10%.

The bill changes the distribution of the tax on cash devices to the following:

- General Fund: 46.75% (a change from the current 2.5%)
- Charitable Gaming Operations Fund: 0% (a change from the current 20%)
- DOR Enforcement Fund: 9.75% (a change from the current 0%)
- Compulsive Gamblers Assistance Fund: 2.25% (a change from the current 2.5%)
- Nebraska Tourism Commission Promotional Cash Fund: 5% (a change from the current 10%)
- Property Tax Credit Cash Fund: 20% (a change from the current 40%)
- Behavioral Health Services Fund: 3.75% (a change from the current 0%)
- Cities/Counties: 12.5% (a change from the current 25%)

Modified Provisions of LB 873

The bill amends the Kratom Consumer Protection Act (Act) to provide that beginning July 1, 2027, an excise tax shall be levied on the retail sale of kratom products to consumers at the rate of 10% of the retail purchase price. The excise tax is in addition to all other occupation, privilege sales, or use taxes imposed by this state or by any political subdivision of the state.

Each retailer of kratom products shall file a return with the DOR by the 20th day of the month following the month reported and with the report shall remit the amount of excise tax due. Revenues will be credited to the General Fund on a monthly basis.

Revenues:

The provisions of the bill have the following positive impact to General Fund revenues:

- FY27: \$21,521,000
- FY28: \$22,764,000
- FY29: \$23,025,000

The General Fund impact reflects changes to fees/taxes under provisions connected to LB 890 and LB 1110, the change to the cash device tax rate and distribution under the provisions connected to LB 920, the revenue increases as a result of the provisions connected to LB 1109, the revenue increases as a result of the provisions connected to LB 873, and the revenue decreases as a result of the tax credit provisions connected to LB 1131.

LB 935

The bill creates new court fees, including a \$45 state docket fee for civil causes of action filed in district court, a \$20 fee for civil causes of action filed in county court, a \$26 fee for dissolution actions, a \$36 fee for traffic misdemeanors or infractions, and a \$16 fee for small claims cases.

The provisions of the bill increase General Fund revenues by \$4 million each year starting in FY27 as a result of these new court fees.

LB 954

LB 954 seeks to amend a provision of the Nebraska Advantage Act to change the method for counting base-year employment for Tier 6 Nebraska Advantage projects if a portion of the qualifying business operation is sold or transferred. If an applicant for a Tier 6 Nebraska Advantage project has met the required investment and employment levels and subsequently sells or transfers a portion of the business operation to an unrelated party, the number of base-year employees is adjusted by subtracting the number of full-time equivalent employees employed at the sold or transferred business location. This allows affected projects to either avoid recapture, or amend their agreement to a lower-benefit Nebraska Advantage tier.

The adjustment of base-year employment does not occur if the business that bought part of the Tier 6 project ceased operations within 24 months of the date of the sale, or if that business closed another location. The provisions of LB 954 only apply to Nebraska Advantage agreements signed after December 31, 2016. The provisions of the bill are estimated not to have an immediate impact on General Fund revenues through FY29. However, over the lifetime of projects that may be affected by the bill, General Fund revenues are estimated to be reduced by \$20 million.

LB 1126

LB 1126 adjusts the minimum dollar amount of the property damage threshold to trigger reporting and license suspension under the Motor Vehicle Safety Responsibility Act, from \$1,500 to \$2,000, under section 60-507.

The provisions of the bill will likely reduce the number of reportable vehicle crashes, which would cause a like reduction in the number of driver records purchased. The total revenue losses, including both General Fund and Cash Fund impacts, are \$7,500 in both FY27 and FY28. The revenue loss to the General Fund only is \$375 in both FY27 and FY28.

LB 1165

LB 1165 creates the Grow the Good Life Act to be administered by the Department of Economic Development (DED). The Grow the Good Life Act applies to businesses that have experienced a change in ownership and control resulting from a change in equity ownership of a Nebraska employer resulting from a merger or combination. The bill also amends portions of the ImagiNE Nebraska Act, adds a new grant program administered by the Department of Labor (DOL), and amends grants available under the Site and Building Development Act. Finally, the bill as amended contains provisions of LB 1191 and LB 1192, which amend sections of the Nebraska Advantage Act and the Convention Center Facility Financing Act.

The Grow the Good Life Act is designed to provide incentives for businesses who have merged or combined with an out-of-state business to retain Nebraska employment and to encourage relocating out-of-state jobs to Nebraska. To be eligible for the Act, the following requirements must be met:

The merger or combination occurs between January 1, 2026, and December 31, 2028.

- Immediately prior to the date of the merger or combination the employer employed more than 3,000 full-time employees in Nebraska
- Immediately prior to the date of the merger or combination the out-of-state company had an actual or implied value greater than \$50 billion
- The employer maintained its headquarters within the state for at least ten years before the merger or combination
- The shareholders of the out-of-state company receive at least 20% of the ownership share value or voting equity of the new company
- The employer must retain at least 90% of its base year employment in Nebraska
- The business must be a qualified location under the ImagiNE Nebraska Act

Under the Grow the Good Life Act, a qualified taxpayer may receive wage retention credits, an additional percentage increase in wage and investment credits in ImagiNE Nebraska projects, if the business adds 500 employees in Nebraska that are paid an annual wage of at least \$100,000.

The wage retention credits are equal to 5% of the total compensation paid by the employer to all retained employees of the employer in Nebraska, who are paid wages at a rate equal to at least 100% of the Nebraska statewide average hourly wage for the year of application. The credit may be earned for the year of application and the next nine years (the "earning period") and is limited to a maximum of \$5 million per year. The credits may be used against the applicant's income tax liability or the applicant's withholding tax liability; however, the credits may be used only during the "usage period," a ten-year period which begins on January 1, 2031. The total amount of wage retention credits available through the program is \$50 million.

The bill revises provisions of the ImagiNE Nebraska Act relating to wage and investment credits earned under selected levels of the program, and revises provisions for how a business may use earned credits for employee childcare. The bill specifies that the expanded credits are available to businesses with applications filed on or after the operative date of the section. The use of credits against employee childcare expenses is available for any business with earned ImagiNE credits. Wage credits for businesses qualifying for ImagiNE at the following levels are expanded as follows:

- "Manufacturing Growth & Expansion-Urban" level (10 FTEs and \$1 million investment, with wages at least 75% of state average) increased from 4% to 5%.
- "Manufacturing Growth & Expansion-Rural" level (5 FTEs and \$1 million investment, with wages at least 70% of state average) increased from 4% to 5%.
- "Quality Jobs" level (20 FTEs) with wage credit increased from 4% to 5% if average wages are at least 100% of state average; increased from 7% to 8% if average wages are at least 150% of state average;

and increased from 9% to 10% if wages are 200% of state average.

In addition, investment credits for businesses qualifying for ImagiNE at the following levels are expanded as follows:

- "Manufacturing Growth & Expansion-Urban" level (10 FTEs and \$1 million investment, with wages at least 75% of state average) increased from 4% to 5%; and if investment reaches \$10 million, the credit increases from 7% to 8%.
- "Manufacturing Growth & Expansion-Rural" level (5 FTEs and \$1 million investment, with wages at least 70% of state average) increased from 4% to 5%; and if investment reaches \$10 million, the credit increases from 7% to 8%.

The bill provides an additional 1% wage and 1% investment credit at all levels of the ImagiNE Nebraska Act for any business that meets the requirements of the Grow the Good Life Act and hires at least 500 employees who are paid at least \$100,000 per year. These employees must be newly employed by the taxpayer in Nebraska, existing employees of the taxpayer who transfers to a position from out-of-state to Nebraska, or a new employee of the taxpayer who relocates to a position in Nebraska. The additional employees are required to be added within a seven-year period beginning at the time of the change of ownership, but once this level is met the additional percentage of wage and income credits earned becomes available for all the qualified employees through the entire performance period. The bill also removes the additional 1% wage and investment credit bonus for benefit corporations.

The bill changes provisions of section 77-6832(1)(f) relating to the ability of taxpayers to use earned tax credits for providing childcare for employees, replacing the use of credits for employer-sponsored childcare at the qualified location. Under the bill, the taxpayer is able to use earned tax credits to pay up to 50% of employees' childcare costs.

Included in LB 1165 are provisions of LB 1191 which amends portions of the Nebraska Advantage Act relating to the attainment period for Tier 6 projects. Specifically, sections 77-5723 and 77-5735 are amended to lengthen the attainment period-the time from the signing of the agreement until the required employment and investment thresholds are met-from seven to ten years. Eligible taxpayers are those with an active Tier 6 Nebraska Advantage agreement that was signed on or after December 31, 2020.

LB 1165 includes provisions of LB 1192 which amends the Convention Center Facility Financing Assistance Act. The bill allows a sports arena facility with a seating capacity greater than 16,000 to receive turnback aid under the Act. To qualify for assistance, the facility must be located in a city of the primary class, have a seating capacity greater than 16,000, and have applied for financial assistance under the Act on or after February 1, 2008.

Revenues:

Impact of the Grow the Good Life Act and amendments to the ImagiNE Nebraska Act are as follows:

- FY27: (\$3,952,000)
- FY28: (\$5,718,000)
- FY29: (\$10,852,000)
- FY30: (\$17,554,000)
- FY31: (\$29,631,000)
- FY32: (\$31,127,000)
- FY33: (\$28,242,000)

Note that for the first four years the estimated impact of the bill represents the use of credits for childcare expenses. Note also that the childcare provisions do not add any significant amount to the cost of the Imagine program as the fiscal impact is the result in moving the use of some tax credits forward in time.

The fiscal impact of the provisions amending the Convention Center Facility Financing Assistance Act depends upon future qualifying sports arena facility projects and location of these facilities relative to nearby businesses. There is a potential for a significant reduction in state sales tax revenue in future years. For comparison purposes, \$18.43 million was transferred in FY25 under the terms of the Sports Arena Facility Financing Assistance Act and the Convention Center Facility Financing Assistance Act for four current projects. Any changes to a current facility would impact General Funds by an indeterminate amount depending upon the timing and changes made.

No immediate fiscal impact to the General Fund is estimated for the provisions which lengthen the attainment period for certain Tier 6 Nebraska Advantage Act projects. However, when the affected project(s) reach their employment and investment thresholds and qualify for the program, the impact is estimated to be a reduction of General Fund revenues of approximately \$55 million over the remaining timeline of a qualified Tier 6 project.

General Fund Transfers-Out

This area tabulates funds that are transferred from the General Fund to another fund within the state treasury. These items have the same effect as an appropriation in that they reduce available funds, but are not expended as such and thus are shown under the revenue category (on the Financial Status, see line 9).

Table 12 General Fund Transfers Out

	Actual	Biennial Budget		Following Biennium	
	FY2024-25	FY2025-26	FY2026-27	FY2027-28	FY2028-29
School Property Tax Relief Fund	(750,000,000)	(780,000,000)	(808,000,000)	(838,000,000)	(870,000,000)
Property Tax Credit Fund	(395,000,000)	(422,000,000)	(442,000,000)	(457,000,000)	(472,000,000)
Community College Future Fund	(253,322,713)	(271,446,476)	(285,018,800)	(299,269,740)	(314,233,227)
Education Future Fund	(250,000,000)	(242,000,000)	(242,000,000)	(250,000,000)	(250,000,000)
Cultural Preservation Endowment Fund	(1,000,000)	0	0	(1,000,000)	(1,000,000)
Water Sustainability Fund	(2,519,000)	0	0	(11,000,000)	(11,000,000)
Hall of Fame Trust Fund	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Public Advocacy Cash Fund	(1,000,000)	(875,000)	(875,000)	0	0
Economic Recovery Act	(40,000,000)	0	0	0	0
Judges' Retirement Fund	(1,370,712)	0	0	0	0
School Mapping Fund	(525,000)	0	0	0	0
<i>General Fund Transfers-Out</i>	<i>(1,694,747,425)</i>	<i>(1,716,331,476)</i>	<i>(1,777,903,800)</i>	<i>(1,856,279,740)</i>	<i>(1,918,243,227)</i>
Barbers' Board of Examiners Cash Fund	0	(25,000)	0	0	0
Public Advocacy Cash Fund	0	0	250,000	0	0
Property Tax Credit Fund	0	0	5,000,000	0	0
School Property Tax Relief Fund	0	0	17,000,000	0	0
<i>Change in General Fund Transfers-Out (Enacted)</i>	<i>0</i>	<i>(25,000)</i>	<i>22,250,000</i>	<i>0</i>	<i>0</i>
<i>Total-General Fund Transfers-Out</i>	<i>(1,694,747,425)</i>	<i>(1,716,356,476)</i>	<i>(1,755,653,800)</i>	<i>(1,856,279,740)</i>	<i>(1,918,243,227)</i>

The enacted budget includes the following changes to transfers under current law:

- A reduction in the amount transferred to the Property Tax Credit Fund by \$5 million, making the total transfer amount in FY2026-27 \$437 million;
- A reduction in the amount transferred to the School Property Tax Relief Fund by \$17 million, making the total transfer amount in FY2026-27 \$791 million;
- A transfer to the Board of Barber Examiners Fund of \$25,000 in FY2025-26; and
- A reduction in the amount transferred to the Public Advocacy Cash Fund by \$250,000, making the total transfer amount in FY2026-27 \$625,000.

Property Tax Credit Fund and School Property Tax Relief Fund

The budget includes reductions in the amounts transferred to the two property tax credit funds. The reductions account for investment earnings in the funds as well as amounts to be returned to the state due to unused credits from credits issued in FY2025-26. There is no change to the minimum amount of relief provided under either property tax program, and it is estimated the transfers provided, even with the reductions, will provide sufficient funding to meet the minimum credit amounts under current law.

Community College Future Fund Aid

In addition, the budget includes the FY2025-26 certified amount for Community College Future Fund aid, which is transferred from the General Fund to the cash fund.

LB 243 (2023) limits the ability of community college areas to levy property taxes for FY 2024-25 and after. The state distributes funds to community college areas to offset the funds lost by community college areas with the elimination of their levy authority under subdivisions (2) (a) and (c) of section 85-1517 with community colleges retaining the levy authority under (b). The funds are distributed to community college areas by the government of the State of Nebraska in the following manner:

- FY 2025-26 and after: The amount distributed to the community college area in the prior fiscal year, increased by 3.5% or the percentage increase in the reimbursable educational units of the community college area, whichever is greater. The amounts are calculated by the Coordinating Commission for Postsecondary Education (Commission).

The Commission annually certifies the total amount to be distributed to all community college areas in August of each year. The State Treasurer transfers the certified amount from the General Fund to the newly created Community College Future Fund in 10 equal payments distributed monthly beginning in September and continuing through June. The Commission makes distributions to the community college areas in ten equal payments distributed monthly beginning in September and continuing through June.

The certified aid amount for FY2025-26 is \$271,446,476. This is an increase of approximately 7% from FY2024-25 because of the impact of the growth in reimbursable education units in multiple community college areas exceeding 3.5%. The enacted budget includes funds for FY2025-26 and thereafter that reflect an increase of 5% per year due to this impact, rather than the minimum annual increase of 3.5% in statute. However, because the FY2025-26 certified amount is greater than the amount in the enacted budget, to maintain the 5% annual growth rate assumption, the amounts are increased in subsequent years as well. The table below shows the impact of the increase in the FY2025-26 certification and subsequent years. The budget includes additional appropriations for the FY2026-27 in the amount of \$5,730,509, for estimated total CCFF aid of \$285,018,800.

	FY2025-26	FY2026-27	FY2027-28	FY2028-29
General Fund Transfer to CCFF – Enacted Budget	265,988,849	279,288,291	293,252,706	307,915,341
\$ Change FY26 Certification plus 5% estimated growth	5,457,627	5,730,509	6,017,034	6,317,886
General Fund Transfer to CCFF – Enacted	271,446,476	285,018,800	299,269,740	314,233,227

Historical General Fund Transfers Out

The total amount of funds transferred out of the General Fund has grown significantly over time, and most notably since FY2020-21. Actual transfers out of the General fund are shown in Table 7. Transfers out from FY1995-96 through FY2006-07 averaged about \$7.5 million per year. In 2007, the Property Tax Credit Act was enacted and funded through a transfer to the Property Tax Credit Cash Fund. Transfers for this program constituted 80-96% of all transfers out of the General Fund until FY2021-22.

In FY2021-22, there was a 41% increase in transfers out, as compared to FY2020-21, followed by an 18% increase in FY2022-23, and a 170% increase in FY2023-24. A large portion of the 41% increase in FY2021-22 included funds transferred to the NCCF for construction of prison facilities. In FY2022-23, additional transfers to the NCCF, to the Water Recreation Enhancement Fund and JEDI Fund for the STARWARS projects, and to the Shovel-Ready Capital Investment Fund contributed to an 18% increase in funds transferred out. Beginning in FY2023-24, the transfer to the Education Future Fund for special education and foundation aid expenses contributed to the large 170% increase.

Estimates for transfers out in FY2024-25 through FY2026-27 indicate about 45% of funds transferred will be to the School Property Tax Relief Fund, about 25% of funds transferred will be to the Property Tax Credit Fund, about 14% of funds transferred will be to the Education Future Fund, and about 16% of funds transferred will be to the Community College Future Fund for aid to community colleges.

Table 13 Historical General Fund Transfers-Out

Fiscal Year	Total Transfers Out	% Change from Prior Year	Total School Prop Tax Credit Fund	% of Total School Prop Tax Credit Fund	Total Prop Tax Credit Fund	% of Total Prop Tax Credit Fund	Total Education Future Fund	% of Total Education Future Fund	Total Comm College Future Fund	% of Total Comm College Future Fund
FY1995-96	(8,910,000)		0	0.00%	0	0.00%	0	0.00%	0	0.00%
FY1996-97	(8,660,000)	-2.81%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
FY1997-98	(7,660,000)	-11.55%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
FY1998-99	(14,373,587)	87.64%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
FY1999-00	(13,507,109)	-6.03%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
FY2000-01	(5,640,000)	-58.24%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
FY2001-02	(3,650,000)	-35.28%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
FY2002-03	(5,300,000)	45.21%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
FY2003-04	(1,640,000)	-69.06%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
FY2004-05	(1,640,000)	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
FY2005-06	(9,140,000)	457.32%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
FY2006-07	(9,140,000)	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
FY2007-08	(128,730,000)	1308.42%	0	0.00%	(105,000,000)	81.57%	0	0.00%	0	0.00%
FY2008-09	(120,200,000)	-6.63%	0	0.00%	(115,000,000)	95.67%	0	0.00%	0	0.00%
FY2009-10	(126,050,000)	4.87%	0	0.00%	(112,000,000)	88.85%	0	0.00%	0	0.00%
FY2010-11	(120,725,000)	-4.22%	0	0.00%	(112,000,000)	92.77%	0	0.00%	0	0.00%
FY2011-12	(140,800,000)	16.63%	0	0.00%	(110,000,000)	78.13%	0	0.00%	0	0.00%
FY2012-13	(114,700,000)	-18.54%	0	0.00%	(110,000,000)	95.90%	0	0.00%	0	0.00%
FY2013-14	(121,300,000)	5.75%	0	0.00%	(113,000,000)	93.16%	0	0.00%	0	0.00%
FY2014-15	(188,350,000)	55.28%	0	0.00%	(138,000,000)	73.27%	0	0.00%	0	0.00%
FY2015-16	(222,400,000)	18.08%	0	0.00%	(202,000,000)	90.83%	0	0.00%	0	0.00%
FY2016-17	(217,100,000)	-2.38%	0	0.00%	(202,000,000)	93.04%	0	0.00%	0	0.00%
FY2017-18	(233,470,000)	7.54%	0	0.00%	(221,000,000)	94.66%	0	0.00%	0	0.00%
FY2018-19	(230,300,000)	-1.36%	0	0.00%	(221,000,000)	95.96%	0	0.00%	0	0.00%
FY2019-20	(286,800,000)	24.53%	0	0.00%	(272,000,000)	94.84%	0	0.00%	0	0.00%
FY2020-21	(310,600,000)	8.30%	0	0.00%	(272,000,000)	87.57%	0	0.00%	0	0.00%
FY2021-22	(440,830,000)	41.93%	0	0.00%	(297,000,000)	67.37%	0	0.00%	0	0.00%
FY2022-23	(518,053,459)	17.52%	0	0.00%	(310,000,000)	59.84%	0	0.00%	0	0.00%
FY2023-24	(1,399,760,000)	170.20%	0	0.00%	(360,000,000)	25.72%	(1,000,000,000)	71.44%	0	0.00%
FY2024-25	(1,694,747,425)	21.07%	(750,000,000)	44.25%	(395,000,000)	23.31%	(250,000,000)	14.75%	(253,322,713)	14.95%
FY2025-26	(1,716,356,476)	1.28%	(780,000,000)	45.45%	(427,000,000)	24.88%	(242,000,000)	14.10%	(271,446,476)	15.82%
FY2026-27	(1,755,653,800)	2.29%	(791,000,000)	45.05%	(437,000,000)	24.89%	(242,000,000)	13.78%	(285,018,800)	16.23%

General Fund Transfers In

Cash funds are funds that contain earmarked revenue sources and monies in those funds can only be used for the purposes authorized by statute. For accounting purposes, these are shown as “Transfers in” and are included as General Fund revenues. Transfer amounts enacted in 2025 are already incorporated into the “Net Receipts” figures of the NEFAB forecasts. Total transfers are shown in Table 14, which were enacted in the 2025 and 2026 session. The adjustments in the 2026 session are shown in Table 15 on page 31.

Table 14 General Fund Transfers In (Enacted 2025 and 2026)

	Actual	Biennial Budget		Following Biennium	
	FY2024-25	FY2025-26	FY2026-27	FY2027-28	FY2028-29
211 Cash Fund	0	69,122	0	0	0
Abstracters Bd Fund	0	0	100,000	0	0
Affordable Housing Trust Fund	0	0	8,000,000	0	0
Appraisal Management Co. Fund	0	100,000	100,000	0	0
Arts Maintenance Fun	0	0	100,000	0	0
Banking & Finance Settlement	0	1,000,000	750,000	0	0
Barber Examiners Fund	0	0	25,000	0	0
Behavioral Health Services Cash	2,000,000	0	0	0	0
Boiler Inspection Cash Fund	0	0	450,000	0	0
Building Renewal Allocation Fund	0	0	4,000,000	0	0
Cert Public Accountancy Fund	0	100,000	100,000	0	0
Charitable Gaming Operations Fund	1,500,000	100,000	500,000	0	0
Civic and Community Center Fund	4,000,000	1,500,000	1,500,000	0	0
Clean Air Title V	0	0	1,300,000	0	0
Community College Dependents Fund	0	500,000	500,000	0	0
Community Corrections Uniform Data Analysis Fund	0	0	300,000	0	0
Contractor & Professional Employer Organization Reg	0	100,000	0	0	0
Correctional Services Insurance Proceeds	0	0	3,500,000	0	0
Cultural Preservation Endowment	0	0	5,000,000	0	0
Customized Job Training Cash Fund	0	2,733,703	0	0	0
Department of Motor Vehicles Cash Fund	526,716	0	12,500,000	0	0
Dept of Education VR Basic Match	0	375,000	375,000	0	0
Dept of Insurance Cash Fund	12,000,000	17,200,000	19,000,000	16,800,000	16,800,000
Dept of Motor Vehicles Ignition Interlock Fund	0	500,000	250,000	0	0
DHHS Federal Clearing Fund	0	0	8,977,251	0	0
DHHS Food Distribution Fund	0	0	305,337	0	0
Economic Development Cash Fund	0	20,614,490	0	0	0
Economic Recovery Contingency Fund	0	15,017,316	1,000,000	0	0
Employment Security Contingency Fund	2,500,000	1,500,000	0	0	0
Engineer Plan Review Fund	0	100,000	300,000	0	0
Engineers and Architects Registration Cash Fund	0	400,000	0	0	0
Film Office Fund	0	450,000	0	0	0
Financial Institution Cash	0	3,000,000	0	0	0
Flexible Spending Fund	1,000,000	800,000	0	0	0
Game Law Investigation Fund	0	0	200,000	0	0
Governor's Emergency Fund	0	0	5,000,000	0	0
Grade Crossing Protection Fund	0	1,250,000	1,250,000	0	0
Health and Human Services Cash Fund	8,250,000	5,122,895	4,880,000	0	0
HHS Professional & Occupational Credentialing	0	2,550,000	1,800,000	0	0
Historical Society Cash Fund	0	100,000	0	0	0
Homeless Shelter Assistance	0	0	6,500,000	0	0
ImagiNE Revolving Loan Fund	0	0	3,000,000	0	0
Inland Port Authority Fund	0	750,000	0	0	0
Integrated Solid Waste Management Cash	0	250,000	250,000	0	0
Intern Nebraska Cash	0	12,000,000	0	0	0
JEDI Fund	0	4,400,000	2,900,000	0	0

	Actual	Biennial Budget		Following Biennium	
	FY2024-25	FY2025-26	FY2026-27	FY2027-28	FY2028-29
Job Creation and Mainstreet Revitalization Fund	0	75,000	125,000	0	0
Job Training Cash Fund	3,328,621	0	0	0	0
Landscape Architects Fund	0	0	25,000	0	0
Lead Service Line Fund	0	4,000,000	0	0	0
Mechanical Safety Inspection Fund	0	375,000	375,000	0	0
Miscellaneous funds (2025 Committee Prelim)	0	115,000	0	0	0
Motor Carrier Division Cash Fund	0	250,000	250,000	0	0
Motor Carrier System Replacement	0	4,000,000	1,000,000	0	0
Motor Fuel Trust Fund	0	1,730,000	0	0	0
Municipality Infrastructure Aid Fund	0	400,000	0	0	0
NEBASE Fund	0	0	75,000	0	0
Nebr Litter Reduction and Recycling Cash Fund	0	1,250,000	1,250,000	0	0
Nebr Outdoor Recreation & Development (NORDA)	0	500,000	2,000,000	0	0
Nebraska Snowmobile Trail Cash Fund	0	0	25,000	0	0
Nebraska Tobacco Settlement Fund	0	0	45,000,000	0	0
Oil & Gas Conservation Fund	0	0	300,000	0	0
Perkins County Canal Fund	0	0	5,747,931	0	0
Prison Overcrowding Contingency Fund	0	500,000	0	0	0
Public Safety Communications Fund	0	500,000	500,000	0	0
Racetrack Gaming Fund	0	2,000,000	6,000,000	0	0
Real Property Appraisers Fund	0	150,000	0	0	0
Records Management Cash Fund	0	4,000,000	3,000,000	0	0
Resource Recovery Cash Fund	125,000	0	0	0	0
Revenue Enforcement Fund	1,000,000	2,000,000	2,000,000	0	0
Rural Projects Fund	0	2,424,287	0	0	0
Secretary of State Cash Fund	0	0	1,000,000	0	0
Securities Act Cash Fund	39,500,000	34,000,000	28,000,000	28,000,000	28,000,000
Shovel-Ready Capital Investment Fund	0	700,000	0	0	0
Site and Building Development Fund	9,000,000	0	4,500,000	0	0
State Energy Cash	0	600,000	500,000	0	0
State Insurance Fund	8,250,000	0	0	0	0
State Patrol Carrier Enforcement Fund	0	500,000	1,000,000	0	0
State Settlement Cash Fund	5,295,957	295,957	295,957	0	0
State Visitors Promotion Fund	0	2,000,000	2,000,000	0	0
Support NE History Fund	0	10,000	0	0	0
Surface Water Irrigation Fund	0	2,500,000	7,600,000	0	0
Tobacco Products Admin Cash Fund	9,000,000	0	0	0	0
Trail Development and Maintenance Fund	0	3,350,000	3,627,750	0	0
Transportation Infrastructure Bank	0	2,000,000	4,500,000	0	0
Treasury Management Cash Fund	0	500,000	250,000	0	0
Tuition Recovery Fund	0	0	100,000	0	0
Unclaimed Property Trust Fund	0	1,000,000	0	0	0
Unclaimed Property Cash Fund	0	0	1,000,000	0	0
Vacant Building and Excess Land Fund	0	0	1,500,000	0	0
Vehicle Replacement Fund	0	250,000	250,000	0	0
Vehicle Title & Reg System Replacement Fund	0	5,500,000	2,500,000	0	0
Water Recreation Enhancement Fund	0	32,700,000	8,518,601	0	0
Wildlife Conservation Fund	0	0	438,000	0	0
Workers Compensation Court Cash Fund	0	1,750,000	1,000,000	0	0
Workforce Development Fund	0	3,950,000	0	0	0
Youth Outdoor Recreation Fund	0	8,286,510	0	0	0
Miscellaneous funds (2026 Session)	0	938,000	852,000	0	0
Transfers-In already in revenue forecast	107,276,294	217,986,100	102,465,957	48,000,000	48,000,000
Change in Transfers In - 2026 Session	0	(91,502)	129,351,870	(3,200,000)	(3,200,000)
Total General Fund Transfers-In	107,276,294	217,894,598	231,817,827	44,800,000	44,800,000

Table 15 Adjustments to General Fund Transfers In – 2026 Session

Ag #	From Fund	FY25-26	FY26-27	FY27-28	FY28-29
9	Secretary of State Cash Fund	0	1,000,000	0	0
9	Records Management Fund	3,000,000	1,000,000	0	0
11	Multi-State Trust Fund	In Misc	0	0	0
12	Treasury Management	0	250,000	0	0
12	Unclaimed Property Cash Fund	0	1,000,000	0	0
13	Dept of Ed Revolving LAN Usage subfund	In Misc	0	0	0
13	Dept of Ed Revolving Data Syst subfund	In Misc	0	0	0
13	Dept of Ed Revolving Color Prt	In Misc	0	0	0
13	Tuition Recovery Cash Fund	0	100,000	0	0
13	Dept of Ed Trust Williams subfund	0	0	0	0
14	Nebraska Grain Warehouse Surveillance Cash Fund	In Misc	0	0	0
14	Public Service Commission Pipeline Regulation Fund	In Misc	0	0	0
14	Nebraska Competitive Telephone Marketplace Fund	In Misc	0	0	0
16	Tobacco Products Administration Cash Fund	(9,500,000)	(9,500,000)	(9,000,000)	(9,000,000)
16	Motor Fuel Trust Fund	1,730,000	0	0	0
18	State Apiary Cash Fund	In Misc	0	0	0
18	Soil and Plant Analysis Laboratory Cash Fund	In Misc	0	0	0
18	Tractor Permit Cash Fund	In Misc	0	0	0
21	Boiler Inspection Cash Fund	0	450,000	0	0
22	Department of Insurance Cash Fund	3,200,000	7,000,000	5,800,000	5,800,000
24	Vehicle Title Registration System Replacement & Maintenance Fund	0	1,000,000	0	0
25	Nursing Faculty Student Loan Cash Fund	In Misc	0	0	0
25	Radiation Transportation Emergency Response Cash Fund	In Misc	0	0	0
25	Federal Clearing	0	8,977,251	0	0
25	Food distribution	0	305,337	0	0
25	Homeless Shelter Assistance Trust Fund	0	6,500,000	0	0
25	Health and Human Services Cash Fund	1,898,895	3,410,000	0	0
25	Professional and Occupational Credentialing Cash Fund	700,000	800,000	0	0
25	Master Tobacco Settlement	0	45,000,000	0	0
27	Aeronautics Cash Fund	0	0	0	0
27	Grade Crossing Protection Fund	1,250,000	1,250,000	0	0
31	Governor's Emergency Cash	(3,250,000)	5,000,000	0	0
33	Trail Development and Maintenance Fund	0	3,627,750	0	0
33	Nebraska Outdoor Recreation Development Cash Fund	0	1,500,000	0	0
33	Wildlife Conservation Fund	0	438,000	0	0
33	Game Law Investigation Cash Fund	0	200,000	0	0
33	Nebraska Snowmobile Trail Cash Fund	0	25,000	0	0
33	Water Recreation Enhancement Fund	0	8,518,601	0	0
34	NEBASE Fund	0	75,000	0	0
36	Racetrack Gaming Fund	0	4,000,000	0	0
37	Workers' Compensation Fund	1,000,000	1,000,000	0	0
45	Board of Barber Examiners Cash Fund	0	25,000	0	0
46	Insurance Proceeds Fund	0	3,500,000	0	0
46	Welfare & Club Accounts subfund	In Misc	0	0	0
46	Welfare & Club Accounts subfund	In Misc	0	0	0
46	Welfare & Club Accounts subfund	In Misc	0	0	0
53	Appraisal Management Company Fund	0	100,000	0	0

Ag #	From Fund	FY25-26	FY26-27	FY27-28	FY28-29
54	Nebraska Job Creation and Mainstreet Revitalization Fund	0	125,000	0	0
57	Oil & Gas Conservation Fund	0	300,000	0	0
63	Cert Public Accountancy Fund	100,000	100,000	0	0
64	State Patrol Carrier Enforcement Fund	(500,000)	0	0	0
65	Building Renewal Allocation Fund	0	2,000,000	0	0
65	Capitol Commission Revolving Fund	In Misc	0	0	0
65	Capitol Restoration Archives Fund	In Misc	0	0	0
65	Community College State Dependents Fund	0	500,000	0	0
65	Capitol Restoration Tours subfund	In Misc	0	0	0
65	Health Plan subfund	In Misc	0	0	0
65	Rural Broadband Task Force Fund	In Misc	0	0	0
65	Vacant Building and Excess Land Fund	0	1,500,000	0	0
65	World Day on the Mall Fund	In Misc	0	0	0
65	Insurance Trust	In Misc	0	0	0
65	Miscellaneous Claims Cash Fund	In Misc	0	0	0
65	Transportation Services Bureau Revolving Fund	In Misc	0	0	0
65	Public Safety Communications Fund	In Misc	0	0	0
66	Abstracters Board of Examiners Cash Fund	0	100,000	0	0
69	Arts Maintenance subfund	0	100,000	0	0
69	Cultural Endowment Fund	0	5,000,000	0	0
72	Job Training Cash Fund	In Misc	0	0	0
72	Federal Misc	In Misc	0	0	0
72	Film Office Fund	450,000	0	0	0
72	Nebraska Rural Projects Fund	2,424,287	0	0	0
72	Shovel-Ready Capital Recovery and Investment Fund	300,000	0	0	0
72	Bioscience Innovation Cash Fund	In Misc	0	0	0
72	Municipality Infrastructure Aid Fund	400,000	0	0	0
72	Site and Building Development	(4,500,000)	4,500,000	0	0
72	Economic Recovery Contingency Fund	17,316	1,000,000	0	0
73	Landscape Architects Fund	0	25,000	0	0
76	Designated Collection Fund	In Misc	0	0	0
78	Juvenile Accountability	In Misc	0	0	0
78	05 JAIBG	In Misc	0	0	0
78	Violence Prevention Cash Fund	In Misc	0	0	0
78	Community Corrections Uniform Data Analysis	0	300,000	0	0
83	NE Comm. College Student Perf. & Occ. Education Grant Fund	In Misc	0	0	0
84	Clean Air Title V	0	1,300,000	0	0
84	Leaking Underground Storage Tanks Trust Fund	In Misc	0	0	0
84	Petroleum Products & Hazardous Substances Storage & Handling	In Misc	0	0	0
84	Jobs and Economic Development Initiative Fund	0	2,900,000	0	0
84	Integrated Solid Waste Management Cash Fund	250,000	250,000	0	0
84	State Energy Cash Fund	100,000	0	0	0
84	Nebraska Environmental Response Cash Fund	0	In Misc	0	0
84	Small Watersheds Flood Control Fund	In Misc	0	0	0
84	Perkins County Canal Fund	0	5,747,931	0	0
84	Engineering Plan Review Cash Fund	(100,000)	100,000	0	0
84	Superfund Cost Share Fund	0	In Misc	0	0
84	Surface Water Irrigation Fund	0	5,100,000	0	0
	Miscellaneous	938,000	852,000	0	0
TOTAL		(91,502)	129,351,870	(3,200,000)	(3,200,000)

Table 16 shows the amount of funds transferred into the General Fund for the past 20 years. The amount has varied over time, with the largest amounts in times of budget deficit.

Table 16 Historical General Fund Transfers In

Fiscal Year	Fiscal Year End Cash Fund Balances	Annual % Change	Cash Fund Transfers to GF	GF transfer as % of Cash Balance
FY06-07	703,953,655		26,750,000	3.80%
FY07-08	784,089,055	11.38%	14,350,000	1.83%
FY08-09	783,844,862	-0.03%	34,000,000	4.34%
FY09-10	830,080,007	5.90%	73,010,000	8.80%
FY10-11	898,463,791	8.24%	72,158,100	8.03%
FY11-12	980,149,585	9.09%	37,897,500	3.87%
FY12-13	1,039,318,217	6.04%	33,300,000	3.20%
FY13-14	1,113,368,176	7.12%	37,200,000	3.34%
FY14-15	1,186,428,822	6.56%	44,000,000	3.71%
FY15-16	1,169,967,853	-1.39%	55,645,000	4.76%
FY16-17	1,209,813,774	3.41%	48,800,000	4.03%
FY17-18	1,235,730,547	2.14%	107,829,101	8.73%
FY18-19	1,335,267,411	8.05%	97,589,933	7.31%
FY19-20	1,493,155,555	11.82%	48,795,957	3.27%
FY20-21	1,754,898,719	17.53%	49,045,957	2.79%
FY21-22	1,989,682,173	13.38%	33,295,957	1.67%
FY22-23	2,653,092,108	33.34%	39,295,957	1.48%
FY23-24	4,153,409,198	56.55%	185,745,218	4.47%
FY24-25	3,752,442,951	-9.65%	107,247,673	2.86%
FY25-26*	3,858,977,761	2.84%	217,894,598	5.65%
FY26-27*	3,974,723,377	3.00%	231,817,827	5.83%

* Estimated balances

General Fund Credit of Investment Earnings and Assessments

In LB 3 (2024 Special Session), investment earnings from specific cash and revolving funds were credited to the General Fund, beginning October 1, 2024. The crediting of investment earnings to the General Fund on earnings to the Universal Services Fund was set to continue only through June 30, 2027. For the remaining funds, the change did not have a sunset date. Investment earnings previously approved are included in the revenue forecasts set by NEFAB and in the preliminary estimates for the “out years.”

The enacted budget includes additional investment earnings on funds to be credited to the General Fund, beginning in FY2025-26. Estimates of these earnings are \$30.7 million in FY2025-26; \$27.6 million in FY2026-27; and \$19 million per fiscal year thereafter.

The enacted budget directs investment earnings from the following funds, beginning July 1, 2025:

- Perkins County Canal Fund
- Universal Services Fund (Until FY2028-29 only)
- 911 Service System Fund
- Economic Recovery Contingency Fund
- Nebraska Capital Construction Fund (FY2025-26 and FY2026-27 only)
- Surface Water Irrigation Fund (FY2025-26 and FY2026-27 only)

For the Universal Services Fund, through FY2024-25, investment earnings are directed first to the 211 Cash Fund (up to \$1,455,000 per year), and then remaining earnings are credited to the General Fund. The enacted budget strikes the transfer to the 211 Cash Fund and credits all investment earnings to the General Fund, beginning July 1, 2025, until June 30, 2029. For the other funds listed above, the crediting of investment earnings begins July 1, 2025. For the Nebraska Capital Construction Fund and the Surface Water Irrigation Fund, this redirection of earnings applies only for the two fiscal years of the biennium.

The 2026 midbiennium adjustments include crediting investment earnings from funds to the General Fund, beginning July 1, 2026. The estimated General Fund revenue from these actions is \$215,000, as shown on line 12 of the financial status.

The funds are:

- the State Energy Cash Fund;
- the Motor Fuel Trust Fund;
- the Clean Air Title V Cash Fund;
- the Drinking Water Administration Cash Fund; and
- the Petroleum Products and Hazardous Substances Storage and Handling Fund.

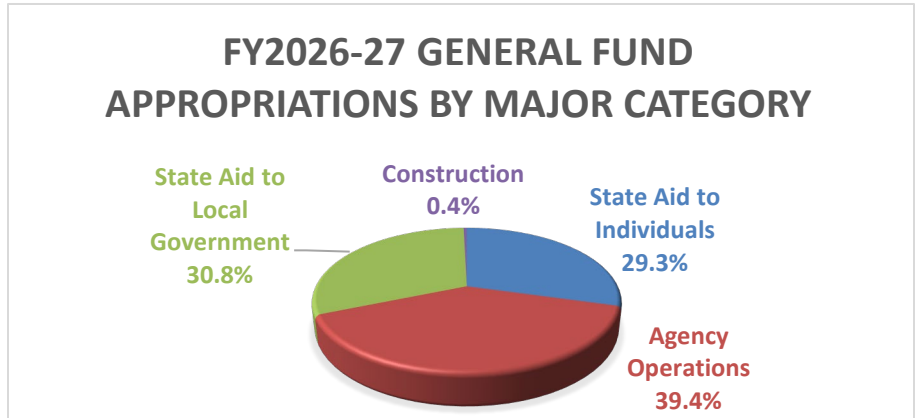
Workers' Compensation Assessments

Until June 30, 2023, certain assessments being charged to self-insured employers in Nebraska were credited to the General Fund. LB 191 (2023) amended § 48-145 to re-reroute those assessments to the Compensation Court Cash Fund. LB 1071 proposes to split those revenues, with 40% going back to the General Fund and 60% remaining in the Compensation Court Cash Fund, from July 1, 2026, until June 30, 2029. The amount of General Fund revenue estimated for this reallocation is \$750,000 per year, as shown on line 13 of the financial status.

GENERAL FUND APPROPRIATIONS

Statewide, 78 agencies were appropriated funds in the FY2025-26/FY2026-27 enacted budget. Of those, 47 state agencies are appropriated funds from the General Fund.

Following the 2026 session midbiennium adjustments, for FY2026-27, General Fund appropriations are allocated 39.4% to agency operations, 29.3% to state aid to individuals, 30.8% to state aid to local governments, and 0.4% to construction.

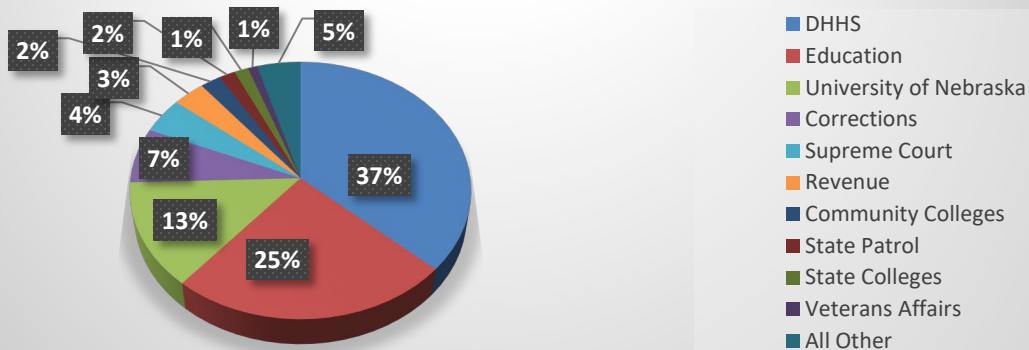


A ranking of the agencies with the highest amounts of General Fund appropriations in FY2026-27 is shown in the following table.

Table 17 Ranking of Agencies: Total General Funds Appropriations

GENERAL FUNDS	FY2021-22	FY2022-23	FY2023-24	FY2024-25	FY2025-26	FY2026-27	FY27 Rank	% of Total
DHHS	1,709,443,812	1,861,172,044	1,945,103,852	1,929,003,793	2,004,248,752	1,947,947,169	1	36.7%
Education	1,308,756,197	1,341,350,682	1,334,741,789	1,317,692,990	1,343,074,818	1,302,554,262	2	24.5%
University of Nebraska	632,042,647	649,842,701	667,939,406	699,313,062	703,683,768	708,054,475	3	13.3%
Corrections	249,026,442	293,961,758	345,607,765	356,905,164	366,437,476	366,994,058	4	6.9%
Supreme Court	195,926,634	204,627,073	219,588,106	233,085,953	232,758,343	238,690,533	5	4.5%
Revenue	133,148,741	151,522,159	173,744,458	183,314,429	182,192,178	178,447,581	6	3.4%
Community Colleges	106,645,089	109,804,330	111,939,172	114,116,711	119,116,711	114,116,711	7	2.1%
State Patrol	67,522,904	70,282,670	82,953,661	90,739,673	86,792,494	88,804,399	8	1.7%
State Colleges	59,439,068	63,339,787	68,649,723	72,780,555	75,078,448	77,151,164	9	1.5%
Veterans Affairs	31,905,888	39,858,125	49,873,360	54,893,760	47,303,622	52,869,198	10	1.0%
All Other	321,515,650	339,910,924	354,502,411	361,881,891	267,659,014	238,993,049		36.7%
Total - General Funds	4,815,373,072	5,125,672,253	5,354,643,703	5,413,727,981	5,428,345,624	5,314,622,599		100.0%
\$ Change	31,606,174	310,299,181	228,971,450	59,084,278	14,617,643	(113,723,025)		
% Change	0.7%	6.4%	4.5%	1.1%	0.3%	-2.1%		

FY26-27 General Fund Appropriations by Agency (Operations and Aid)



The following table shows a summary of the current FY2024-25 General Fund appropriations (excluding deficits) and the enacted budget for FY2025-26 and FY2026-27. The middle columns shown the amount of any midbiennium adjustment in the 2026 session for the category. Table 17, beginning on the following page, shows General Fund appropriations for the biennium with the midbiennium adjustments, listed by agency and type (operations or aid).

Table 18 Enacted Budget by Category – General Funds

	W/o deficits FY2024-25	Per 2025 Session		Change Per 2026 Session		Per 2026 Session	
		Enacted FY2025-26	Enacted FY2026-27	FY2025-26	FY2026-27	Adj Total FY2025-26	Adj Total FY2026-27
Agency Operations							
University & State Colleges	759,253,617	765,582,216	772,025,639	0	0	765,582,216	772,025,639
Health & Human Services	329,429,902	338,611,048	354,539,364	(2,054,104)	3,985,886	336,556,944	358,525,250
Correctional Services	352,905,164	366,355,826	378,503,240	(3,918,350)	(15,509,182)	362,437,476	362,994,058
Courts	232,815,953	239,092,551	244,929,476	(6,604,208)	(6,508,943)	232,488,343	238,420,533
State Patrol	90,739,673	90,972,703	90,739,673	(4,180,209)	(1,935,274)	86,792,494	88,804,399
Retirement Board	66,700,303	36,444,018	18,112,000	0	2,886,604	36,444,018	20,998,604
Revenue	34,314,429	33,704,887	33,970,083	(13,312,709)	(28,722,502)	20,392,178	5,247,581
Other Agencies	262,511,145	250,623,037	255,024,737	(8,105,867)	(6,072,452)	242,517,170	248,952,285
Total-GF Operations	2,128,670,186	2,121,386,286	2,147,844,212	(38,175,447)	(51,875,863)	2,083,210,839	2,095,968,349
State Aid to Individuals/Others							
Education Scholarships	0	0	0	0	0	0	0
Medicaid	1,012,640,639	1,083,193,393	1,078,129,645	2,122,226	(234,597,323)	1,085,315,619	843,532,322
Child Welfare Aid	182,756,746	182,756,746	183,385,911	18,199,999	(17,605,542)	200,956,745	165,780,369
Developmental disabilities aid	197,567,183	212,662,155	229,386,106	(1,500,000)	157,364,630	211,162,155	386,750,736
Public Assistance	76,380,054	76,380,054	76,380,054	(16,396,819)	(1,362,426)	59,983,235	75,017,628
Behavioral Health aid	70,132,211	70,132,211	70,132,211	(18,987,500)	(9,950,000)	51,144,711	60,182,211
Childrens Health Insurance (SCHIP)	26,246,298	29,952,083	29,989,393	0	0	29,952,083	29,989,393
Business Innovation Act	14,770,352	11,020,352	11,020,352	0	(11,020,352)	11,020,352	0
Aging Programs	11,722,579	11,722,579	11,722,579	0	0	11,722,579	11,722,579
Public Health Aid	11,314,060	7,083,060	7,083,060	0	0	7,083,060	7,083,060
Nebraska Career Scholarships	20,240,000	20,580,000	20,580,000	0	0	20,580,000	20,580,000
Higher Ed Student Aid programs	9,593,430	8,493,430	8,593,430	(310,000)	(150,000)	8,183,430	8,443,430
Health Aid	7,352,196	7,352,196	7,352,196	(442,500)	(950,500)	6,909,696	6,401,696
All Other Aid to Individuals/Other	33,090,857	26,240,319	25,240,319	(741,160)	(2,500,000)	25,499,159	22,740,319
Total-GF Aid to Individuals/Other	1,707,748,853	1,747,568,578	1,758,995,256	(18,055,754)	(120,771,513)	1,729,512,824	1,638,223,743
State Aid to Local Govts							
State Aid to Schools (TEEOSA)	1,010,135,323	1,036,453,304	1,024,467,449	(858,119)	(30,431,544)	1,035,595,185	994,035,905
Special Education - General Fund	235,724,474	235,724,424	235,724,424	0	0	235,724,424	235,724,424
Aid to Community Colleges	114,116,711	119,116,711	119,116,711	0	(5,000,000)	119,116,711	114,116,711
Homestead Exemption	149,000,000	159,917,000	170,303,000	1,883,000	2,897,000	161,800,000	173,200,000
Aid to ESU's	13,613,976	13,085,000	13,349,488	0	0	13,085,000	13,349,488
High ability learner programs	2,342,962	2,342,962	2,342,962	0	0	2,342,962	2,342,962
Early Childhood programs	11,119,357	11,119,357	11,119,357	0	0	11,119,357	11,119,357
Community Based Juvenile Services	5,798,000	5,798,000	5,798,000	(500,000)	(749,300)	5,862,300	5,613,000
Governors Emergency Program	5,000,000	5,000,000	5,000,000	0	0	5,000,000	5,000,000
Other Aid to Local Govt	9,154,211	5,486,394	5,486,394	(500,000)	(297,362)	4,422,094	4,624,732
Total-GF Aid to Local Govt	1,556,005,014	1,594,043,152	1,592,707,785	24,881	(33,581,206)	1,594,068,033	1,559,126,579
Capital Construction	21,303,928	21,553,928	21,303,928	0	0	21,553,928	21,303,928
TOTAL-MAINLINE BUDGET	5,413,727,981	5,484,551,944	5,520,851,181	(56,206,320)	(206,228,582)	5,428,345,624	5,314,622,599

2026 A Bills – General Funds

Table 19 2026 A Bills – General Fund Only

Bill	One-Liner	Ag #	Ag Name	FY2025-26	FY2026-27
LB365	Require Medicaid coverage of blood pressure monitoring	25	Health & Human Services	0	9,634
LB803	Change property tax provisions	16	Revenue	0	1,287,868
LB838	Implement a tax on money transmitters	16	Revenue	0	523,247
LB912	Change health care provisions	25	Health & Human Services	0	187,151
LB966	Adopt the Hunger-Free Schools Act	13	Education	0	55,638
LB972	Change license plate provisions	16	Revenue	0	72,400
LB1133	Payment of claims against the state	65	Admin Services	695,609	0
LB1209	Combined bill for LB 847, 867, 901, 1101, and 1235	16	Revenue	0	(1,871,418)
LB1209	Combined bill for LB 847, 867, 901, 1101, and 1235	23	Labor	0	(779,383)
LB1209	Combined bill for LB 847, 867, 901, 1101, and 1235	25	Health & Human Services	0	(6,761,317)
LB1209	Combined bill for LB 847, 867, 901, 1101, and 1235	35	Liquor Control	0	(300,000)
LB1209	Combined bill for LB 847, 867, 901, 1101, and 1235	64	State Patrol	0	113,706
LB1209	Combined bill for LB 847, 867, 901, 1101, and 1235	72	Economic Development	0	(11,951,550)
LB1209	Combined bill for LB 847, 867, 901, 1101, and 1235	84	Water, Energy, & Environment	0	(640,000)
LB1209	Combined bill for LB 847, 867, 901, 1101, and 1235	85	Retirement Board	0	(1,221,208)
LB1237	Require additional security in the State Capitol	3	Legislature	0	Lapse GF
LB1237	Require additional security in the State Capitol	64	State Patrol	0	871,419
LB1237	Require additional security in the State Capitol	65	Admin Services	0	50,000
	TOTALS			695,609	(20,353,813)

Due to the timing of the passage of the midbiennium budget adjustments in the 2026 session, and the necessity to amend provisions in the budget bill, LB 1071, the appropriations related to [LB 847](#), [LB 867](#), [LB 901](#), [LB 1101](#), and [LB 1235](#) were combined into one appropriation bill, LB 1209. Each of those bills resulted in a General Fund appropriations reduction in FY2026-27.

Of the components of LB 1209, General Fund appropriations reductions associated with provisions in many of the bills correspond with an increase in cash fund appropriations for costs. LB 847, LB 901, and LB 1235 all create or increase cash fund revenues, which are then appropriated for agency operations and certain aid programs (i.e. workforce development grants and Business Innovation Act grants in LB 847).

Lapses of Reappropriated General Funds

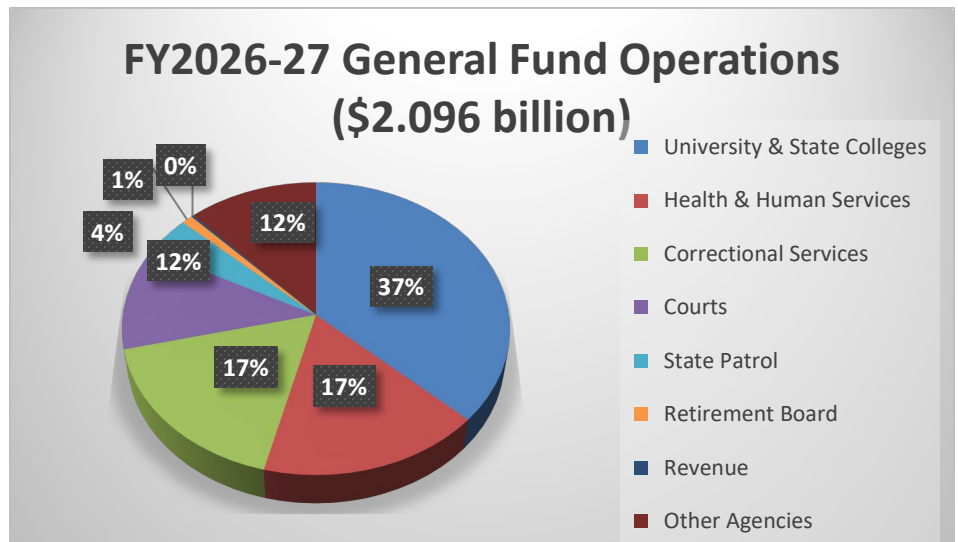
In addition to adjustments to new appropriations, the 2026 midbiennium adjustments also amended amounts reappropriated from the prior biennium, ending June 30, 2025. The amounts by agency and program are shown in the following table. The lapses of reappropriated funds have the effect of increasing General Funds available, as shown on line 5a of the General Fund financial status. The amount shown for Legislative Council, Program 122, includes a lapse of reappropriated funds in FY2026-27 in LB 1237.

Table 20 General Fund Reappropriation Lapses (FY2025-26 and FY2026-27)

Agency	Program	FY2025-26	FY2026-27
Legislative Council	122	935,684	921,419
Legislative Council	123	1,749,983	0
Legislative Council	126	638,262	0
Legislative Council	127	565,259	0
Legislative Council	129	706,644	0
Legislative Council	501	193,904	0
Legislative Council	504	577,318	0
Legislative Council	638	1,720,861	0
Governor	17	250,000	0
Public Service Comm	793	3,900,000	0
Liquor Control	73	2,617,379	0
Econ Development	611	19,810,439	0
Crime Commission	198	1,800,000	0
Military Const.	927, 992	72,416	47,912
DAS	509	500,000	0
Total		36,038,148	969,331

General Fund Agency Operations

This area accounts for the costs of actually operating state agencies including costs such as employee salaries and benefits, data processing, utilities, vehicle and equipment purchases, fuel and oil, etc. Although there are 48 state agencies that receive General Fund appropriations, higher education (University of Nebraska and State Colleges) and the six largest agencies (Health and Human Services, Corrections, Courts, State Patrol, Revenue, and Retirement Board) account for about 88% of state operations. Note that all of the General Funds for the Retirement Board are actually state contributions for the K-12 School employee retirement plan. They are not shown under aid to local governments as the monies are placed directly into the retirement fund and are not actually paid to a school district.



With 2026 session midbiennium adjustments, General Fund appropriations for agency operations show a net decrease of \$45.5 million in FY2025-26 and a net decrease of \$32.7 million in FY2026-27, as compared to the base year FY2024-25. Two-year average annual growth, following the 2026 session, is (0.8%) per year.

Employee Salary and Health Insurance Increases (State Agencies)

Increases related to state employee salaries and health insurance represent a large portion of the increases in General Fund appropriation. The enacted budget includes an across-the-board increase of 11% per year for health insurance for most budget programs. The different bargaining units and the negotiated salary increase are as follows:

- Nebraska Association of Public Employees (NAPE):
 - General 2.25% Market Adjustment
 - Special Market Adjustments and Minimum Wage Adjustments
 - Pay for Performance Increase of 1 step or 1%
 - 7/1/26- 2.25% Market Adjustment and 1 step (1%) pay for performance
- Fraternal Order of Police (FOP): Same each year
 - General 3% Market Adjustment
 - Pay for Performance Increase Totaling One Step or 2%
- State Law Enforcement Bargaining Council (SLEBC):
 - Consolidation to 13 steps for State Patrol and State Fire Marshal; Remain 15 steps for Game & Parks
 - General 3% Market Adjustment for State Patrol and State Fire Marshal
 - General Increase of 3% to Step 1 and 10% to Step 15 for Game & Parks
 - One Step Movement on Pay Line
 - 7/1/26- 4% market adjustment and one step movement on the pay line
- State Code Agencies Teachers Association (SCATA):
 - 3% Market Adjustment to Salary Schedule each year
- Non-bargaining (Rules):
 - General 2.25% Market Adjustment
 - Special Market Adjustments
 - Pay for Performance Increase of 1%
 - Anticipated 7/1/26 is 2.25% Market Adjustment and 1% pay for performance

The special market adjustments included wage increases for particular job codes within particular bargaining units, ranging from 6% to 18% in FY2025-26 only, with the increase for those employees following the bargained rates for all employees in that bargaining unit for FY2026-27. A wage differential was also included for certain employees in Department of Motor Vehicles, Game & Parks Commission, and Nebraska Department of Transportation due to bargained increases for multi-lingual employees, employees with a commercial drivers' license, employees who are trainers of those with a commercial drivers' license, and employees who earn shift differential pay.

For the calculation of the component of the wage increase related to performance pay, the full amount (1% or 2%) was included in FY2025-26, and for FY2026-27, the calculation assumes that 90% of employees would meet the performance requirements to earn the increases.

The enacted budget includes the amount for salary and health insurance increases recommended by the Governor for the following code agencies that requested such amounts at the agency's budget hearing:

- Department of Revenue
- Department of Agriculture
- Department of Labor

- Department of Health and Human Services
- Department of Veterans' Affairs
- Department of Natural Resources
- Military Department
- Department of Correctional Services
- State Patrol
- Department of Economic Development
- Department of Water, Energy, & Environment

The enacted budget did not include funds for salary and health insurance increases, but in most cases did increase salary limit for wage increases, for the following agencies that did not request such increase at the agency's budget hearing:

- Legislative Council
- Governor
- Lieutenant Governor
- Department of Banking
- Department of Insurance
- Liquor Control Commission
- Worker's Compensation Court
- Investment Council
- Retirement Board
- Commission on Public Advocacy

Fiscal Year	Historic NAPE Bargaining Unit Increases	FY basis
	General Salary Policy	% Change
FY2003-04	1.5% on July 1	2.75%
FY2004-05	2.0% on July 1	2.00%
FY2005-06	3.0% on July 1	3.00%
FY2006-07	3.25% on July 1	3.25%
FY2007-08	3.0% on July 1	3.00%
FY2008-09	2.5% on July 1	2.50%
FY2009-10	2.9% on July 1	2.90%
FY2010-11	2.5% on July 1	2.50%
FY2011-12	No Salary Increase	0.00%
FY2012-13	2.0% on July 1	2.00%
FY2013-14	2.25% on July 1	2.00%
FY2014-15	2.25% on July 1	2.00%
FY2015-16	2.25% on July 1	2.25%
FY2016-17	2.40% on July 1	2.40%
FY2017-18	1.00% on July 1	1.00%
FY2018-19	1.5% on January 1	0.75%
FY2019-20	2.0% July 1, 0.3% discretionary	2.30%
FY2020-21	2.0% July 1, 0.3% discretionary	2.30%
FY2021-22	Step plan, equivalent 2.5% July 1	2.50%
FY2022-23	Step plan, equivalent 1.0% July 1	1.00%
FY2023-24	5% on July 1 plus 2% performance, special wage increases	7.00%
FY2024-25	2% on July 1 plus 3% performance	5.00%
FY2025-26	2.25% July 1 plus 1% performance, special wage increases	3.25%
FY2026-27	2.25% July 1 plus 1% performance	3.25%
Annual Average (FY04 to FY27)		2.54%

The enacted budget includes funding as calculated by the Legislative Fiscal Office for the remaining agencies, except for the University and State Colleges. Increases to the University are included as an across-the-board operating increase, rather than a calculation of salary and health insurance increases. For the State Colleges, half of the calculated increases for salary and health insurance was included in the enacted budget, totaling \$1,957,893 in FY2025-26 and \$4,030,609 in FY2026-27. The following table shows state totals by fund type.

Table 21 Salary and Health Insurance Increases in Enacted Budget – All Agencies by Fund Type

FY2025-26	Salary Increases	Health Insurance Increases
General Funds	27,602,082	10,172,101
Cash Funds	16,845,810	5,313,973
Federal Funds	8,397,453	3,098,662
Revolving Funds	2,054,317	799,569
Salary Limit	48,631,897	0
FY2026-27		
General Funds	54,619,025	20,963,283
Cash Funds	28,319,720	11,191,142
Federal Funds	15,073,771	6,350,488
Revolving Funds	4,032,329	1,678,941
Salary Limit	89,845,863	0

Legislative Council

The 2026 budget adjustments include the Legislative Council's request to increase the new appropriation of General Funds in both years of the biennium, and to offset the costs of the increase, to lapse most of the reappropriated General Funds from FY2024-25, to reduce FY2026-27 appropriations for printers, to reduce FY2026-27 appropriations for contracts, to reduce FY2026-27 appropriations for Senators' travel expenses, and to include rate reductions related to DAS administrative rate pauses. The total amount of new appropriation included is \$2,350,534 in FY2025-26 and \$3,986,525 in FY2026-27, for a total of \$6,337,059. The total amount of lapsed reappropriated funds to offset the increase is \$7,087,915.

Additionally, LB 1237, which requires the State Patrol to implement security procedures at the State Capitol Building, includes a lapse of reappropriated funds from the Legislative Council of \$921,419 to offset the costs to the State Patrol and Capitol Commission for the first year of implementation.

Supreme Court

In the 2026 session, the adjustments include a General Fund appropriation reduction of \$6.5 million each year, which is replaced by \$6.5 million annually appropriated from cash funds. The cash fund appropriation increase is funded by transfers from the Nebraska Opioid Recovery Trust Fund to the Probation Program Cash Fund.

Office of the Governor

The enacted budget includes combining two budget programs under a single umbrella program. Policy Research Office (Program 18) and Office of the Governor (Program 21) will be combined into a single program: Governor Operations (Program 17). This action results in no additional funding. In the 2026 session, \$250,000 of reappropriated General Funds were lapsed from Program 17, the umbrella program.

Attorney General

The 2026 midbiennium adjustments include a reduction of \$300,000 General Funds in FY2026-27 for interstate water litigation, which is replaced by an increase in cash fund appropriation in the State Settlement Cash Fund. The revenue for the cash fund appropriation increase comes from a transfer from the Perkins County Canal Project Fund in FY2026-27.

State Department of Education

The 2026 budget adjustments include changes in General Fund appropriations related to department administration, including:

- A decrease of \$200,000 each fiscal year for travel expenses;
- An increase of \$86,376 for vacation and sick leave payouts in FY2025-26;
- An increase of \$585,902 in FY2025-26 and \$381,311 in FY2026-27 for employer health insurance contributions; and
- A reduction of \$125,000 in FY2026-27 for the principal/teacher effectiveness administrator.

Department of Revenue

Revenue Administration

During the 2026 session, the adjustments include an elimination of 17.5 FTE and a 25% reduction of travel and conference costs in the Revenue Administration Program. The reduction to General Fund appropriations in FY26 for this program is \$1,168,329 and \$1,393,546 in FY2026-27. This budget item also includes a reduction in the Motor Fuel Tax program of 1.0 FTE Revenue Auditor III. This results in a reduction in Cash Fund appropriations of \$68,149 in FY26 and \$93,591 in FY2026-27.

The enacted budget adjustments also eliminate appropriations for the Scottsbluff Office, which closed in 2025. This includes an elimination of 5.0 FTE for the Revenue Administration Program and 1.0 FTE Property Tax Field Liaison for the Property Tax Assessment Program as well as rent and phone expenses. This is a decrease of General Fund appropriations of \$357,780 in FY2025-26 and \$490,247 in FY2026-27.

The enacted budget adjustments include changing the destination of the current transfers from the Tobacco Products Administration Cash Fund to the General Fund. The budget changes the destination to the Department of Revenue Enforcement Fund. The transfer amounts are also increased from \$9.5 to \$11.5 million in FY2025-26, \$9.5 million to \$12.5 million in FY2026-27, \$9 million to \$12.5 million in FY2027-28, and \$9 to \$9.5 million in FY2028-29. The budget includes regarding this budget item a decrease in General Fund appropriations of \$11.5 million and an increase in Cash Fund appropriations of \$11.5 million in FY2025-26. For FY2026-27, the budget includes a decrease in General Fund appropriations of \$12.5 million and an increase in Cash Fund appropriations of \$12.5 million for the Revenue Administration Program.

LB 901 (2026) also creates collection and assessment fees, amends cash device fees, and redirects a percentage of cash device tax, all credited to the Department of Revenue Enforcement Fund. The 2026 budget adjustments include reducing General Fund appropriations in light of the additional cash fund resources. A corresponding cash fund appropriation increase is also enacted.

Municipal Equalization Fund (MEF)

Also during the 2026 session, the budget adjustments include a decrease in General Fund appropriations of \$14.385 million and an increase in Cash Fund appropriations of \$14.385 million in FY2026-27 for the Revenue Administration Program connected to changing the 3% administrative fee for the collection of local option sales tax credited to the MEF. Under the enacted changes, 1.05% is credited to the MEF and 1.95% is credited to the Department of Revenue (DOR) Enforcement Fund instead of all 3% credited to the MEF. This change is estimated to increase DOR Enforcement Fund revenues by \$14.385 million in FY2026-27 and decrease MEF revenues by \$14.385 million in FY2026-27.

Department of Agriculture

During the 2026 session, the adjustments include the Department of Agriculture's request for a reduction related to an office specialist and the international promotion program staff, total reductions being \$261,996 General Funds in FY2025-26 and \$297,366 in FY2026-27 and PSL reductions being \$204,361 in FY2025-26 and \$233,416 in FY2026-27.

The midbiennium adjustments also include a reduction of \$550,000 in FY2026-27 General Funds and a commensurate \$550,000 Cash Fund appropriation from the Commercial Feed Administration Cash Fund along with a language change which would allow the fund to cover costs relating to animal health programs.

State Fire Marshal

The 2026 budget adjustments include a reduction of \$510,147 in General Fund appropriations and an increase of \$90,000 in cash fund appropriations and \$108,175 in federal fund appropriations in FY2025-26 and a General Fund reduction of \$446,723 and an increase of \$90,000 in cash fund appropriations and \$76,751 in federal fund appropriations in FY2026-27. The General Fund reductions are related to eliminating vacant positions, reducing travel and training equipment costs, and shifting costs to other funds. The adjustment includes a PSL reduction of \$148,358 in FY2025-26 and \$150,983 in FY2026-27.

Department of Health and Human Services

Program 33 – Administration

The 2026 budget adjustments include \$11,250,000 General Funds in FY2026-27 to offset a \$11,250,000 reduction in available federal funds for administration of SNAP. The One Big Beautiful Bill Act will shift SNAP administrative match from 50% to 25% federal funds starting in October 2026.

The 2026 budget adjustments include a reduction of \$3,000,000 in FY2025-26 and FY2026-27 for the Nebraska Center for Nursing, a partnership with the Nebraska Hospital Association. One half of one percent up to \$2.5M of Hospital Quality Assurance and Access Assessment Cash Fund are directed to the Center, which offsets the need for General Funds.

The 2026 budget adjustments include reductions of total funds in the amounts of \$5,071,840 in FY2025-26 and \$6,104,462 in FY2026-27, pursuant to operational efficiencies identified by the agency including elimination of 43 vacant positions, increased federal claiming, eliminations of contracts for the Division of Developmental Disabilities, and increase of DD Service Coordinator Caseloads to 30:1.

Program 365 – Mental Health Operations

The 2026 budget adjustments include \$15 million General Funds in FY2025-26 and \$7.5 million General Funds in FY2026-27 for the Lincoln Regional Center (LRC), which is needed to address projected utilization through the end of the biennium. Also included is a PSL increase for LRC of \$18.7 million in each year of the biennium.

Program 421 – Beatrice State Developmental Center

The 2026 budget adjustments include a reduction of \$5,750,000 General Funds, increase of \$2.5 million Cash funds, and increase \$1 million Federal funds in FY2025-26 and reduction of \$2,250,000 General Funds in FY2026-27 to align appropriations with historical spending.

Program 624 – Health Information Exchange

The 2026 budget adjustments include \$3,800,000 in General Funds in FY2026-27 for the Health Information Exchange which represents a \$974,860 reduction from the FY2025-26 General Fund appropriation of \$4,774,860.

Department of Veterans' Affairs

The 2026 budget adjustments include the agency request of reducing the General Fund appropriation \$7.27 million and increasing the Cash fund appropriation \$5.27 million and Federal fund appropriation \$7.5 million in FY2025-26, and reducing the General Fund appropriation \$3.5 million and increasing the cash fund appropriation \$5 million and Federal fund appropriation \$7.5 million in FY2026-27. The agency is in the process of updating the critical nurse call light systems in two of the Veterans' Homes which are original to the buildings. Also included is a \$2,000,000 PSL increase in both fiscal years to support recent pay line increases and to provide the agency the flexibility to continue hiring more staff for the Veterans' Homes.

The 2026 budget adjustments include a reduction in General Fund appropriations of \$1.5 million and an increase in cash fund appropriations of \$1.5 million in FY2025-26 and FY2026-27, which is funded by transfers into the department's cash fund from the Veterans' Aid Fund.

Military Department

The 2026 budget adjustments include a reduction of \$472,145 in General Fund appropriations in FY2025-26 and \$494,626 in FY2026-27 related to eliminating vacant positions and transferring Single Engine Air Tanker costs from the Emergency Management Program to the Governor's Emergency Program.

Liquor Control Commission

The 2026 budget adjustments include an increase in General Fund appropriations to the Liquor Control Commission for staffing and resources for the Medical Cannabis Commission's duties of developing and regulating the medical cannabis program in the state. The increase in General Fund appropriations in FY2025-26 is \$875,486 and in FY2026-27 is \$704,400 for staffing, Commissioner salaries, IT costs, and other operating expenses. The 2026 adjustments include combining expenses of the Medical Cannabis Commission as a subprogram within the Liquor Control Commission's main budget program.

LB 1235 (2026) created the Nebraska Medical Cannabis Commission Cash Fund, administered by the Medical Cannabis Commission, and creates a fee structure related to the administration of applications, registrations, and renewals of registrations. As a result of the anticipated fees, \$300,000 in cash fund appropriations is included, which offset a portion of the originally included General Fund appropriation for operations of the Cannabis Commission.

Funds for costs related to the Liquor Control Commission's IT costs related to completion of their Centralized Alcohol Management Project are appropriated from the commission's cash fund, an increase of \$500,000 in FY2025-26. All reappropriated General Funds from the previous biennium, in the amount of \$2,617,379, are lapsed back to the General Fund.

Department of Correctional Services

The enacted budget includes a one-time \$5 million cash fund appropriation increase and a \$1.5 million general fund reduction for FY 2026 to cover the demolition of Housing Unit 1 at the Nebraska State Penitentiary, which was a total loss. The project is partially offset by \$3.5 million in insurance proceeds. In the 2026 session, however, \$3.5 million from the Insurance Proceeds Fund is transferred to the General Fund, eliminating the funding to demolish Housing Unit 1.

The enacted budget includes funding to support 56.0 full-time equivalent (FTE) positions to staff three new specialty units at the Reception and Treatment Center (RTC). These units—a 32-bed geriatric unit, a 32-bed unit for cognitively impaired individuals, and a 32-bed transition unit for individuals moving from acute mental health care to the general population—were previously funded for construction under LB383 (2021) and LB1011 (2022). The facilities are expected to be completed by June 2025 and operational by July 2025.

In the 2026 session, additional adjustments were made to related to the agreement between the agency and the federal government to convert the McCook Work Ethic Camp into an Immigration and Customs Enforcement (ICE) detention facility. A General Fund reduction of \$1.9 million in FY 2025–26 and \$10.2 million in FY 2026–27 was enacted. Furthermore, a one-time General Fund reduction of \$4.4 million was made in FY2025-26, related to overtime reductions and decreased use of temporary staff, as well as potential savings from adjusting staffing patterns at certain facilities. The overtime savings are expected within Protective Services by reducing overtime across facilities as staffing levels improve. The temporary staff savings are expected by relying more on agency FTEs and less on temporary staff and contract nursing.

The enacted budget also includes a one-time General Fund reduction of \$486,733 in FY2025-26 to reflect the scheduled January 2026 payment to Peru State College for the Workforce & Development Program. The program has sufficient funds due to lower-than-expected enrollment and staff vacancies.

State Colleges

In the enacted budget, general increases for operating costs are not included. The State Colleges received funding of half of calculated salary and health insurance increases for the agency. This represents an approximate 2.9% increase each year, with about two-thirds allocated for salaries and one-third allocated for

health insurance. The total General Fund operations appropriation is \$69,898,448 for FY2025-26 and \$71,971,164 in FY2026-27. No changes in General Fund operations were enacted during the 2026 session.

University of Nebraska

In the Governor’s budget recommendation in 2025, a 2% decrease in General Fund appropriations was included, equaling \$14.3 million per fiscal year. The Appropriations Committee included the same reduction in the preliminary budget. However, upon post-hearing review, the Committee increased funding to the University to reflect a 1.25% increase in FY2025-26 only, holding the amount for FY2026-27 on par with FY2025-26. With reductions necessary to balance the General Fund, during floor debate of the budget, \$4.4 million was reduced from FY2025-26 only. No changes in General Fund operations were enacted during the 2026 session. The resulting totals are shown in the following table.

Table 22 General Fund Appropriations – University of Nebraska

	Base	Committee Recommendation		2025 Enacted Budget	
	FY24-25	FY25-26	FY26-27	FY25-26	FY26-27
General Fund Operating Base	691,313,062	700,054,475	700,054,475	695,683,768	700,054,475
Aid - Career Scholarships	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
General Fund Total	699,313,062	708,054,475	708,054,475	703,683,768	708,054,475
\$ increase to FY24-25 Base		8,741,413	8,741,413	4,370,706	8,741,413
NCTA earmark	3,889,738	3,938,360	3,938,360	3,938,360	3,938,360

State Patrol

The enacted budget includes an operations reduction of \$3 million per year in General Funds for the State Patrol. However, several increases are included, which offset this base reduction to the agency, including funds for law enforcement equipment, crime laboratory supplies and instrumentation for toxicology testing, aviation support costs, wage increases for sworn rules employees, and salary and health insurance increases. The Appropriations Committee recommendation included a net increase as a result of the base reduction and additional items of \$797,492 in FY2025-26 and \$905,285 in FY2026-27. With reductions necessary to balance the General Fund, during floor debate of the budget in the 2025 session, this increase was reduced by amendment on the floor, resulting in no net change to the agency General Fund appropriation from FY2024-25 for either year of the biennium.

The 2026 midbiennium adjustments include a total of \$2,363,791 in General fund reductions in FY2025-26 and \$1,614,601 General fund reductions in FY2026-27. These reductions were identified by the Nebraska State Patrol and include reductions to compensatory time and overtime, elimination of vacant or soon-to-be-vacant civilian positions due to retirement, and reductions in recruitment, rent, training and travel, uniform expenses, and vehicle and equipment budgets.

Department of Administrative Services

Several revolving funds within the Department of Administrative Services and the Office of the Chief Information Officer were identified to have an excess fund balance. Fund rebates and rate pauses are allowable processes to return the money spent to the agencies. This money is a mixture of general, cash and federal funds. Below is a summary of the funds identified as having excess and the general fund savings identified in the largest agencies, whose budgets were reduced accordingly in the 2026 session.

Table 23 DAS Rate Rebates/Pauses and Associated General Fund Savings – 2026 Session

Revolving Fund Name	Rate Rebate or Pause Total	General Fund Savings FY2025-26	General Fund Savings FY2026-27	Total General Fund Savings
Print Shop -Material Admin	3,500,000	466,100	186,443	652,543
Purchasing	1,000,000	886,525	0	886,525
Temporary Employee Pool	900,000			
Intergovernmental Data Services	289,890	6,477,739	6,280,104	12,757,843
Communications Revolving	23,228,082			
IM Services	9,055,936			
Public Safety Communications	372,070			
Total	38,345,978	7,830,364	6,466,547	14,296,911
General Fund Reduction by Agency from Rate Pauses/Rebates				
Agency	2025-26	2026-27	Total	
Corrections	1,031,617	820,319	1,851,936	
Health & Human Services	5,457,470	4,787,398	10,244,868	
Legislative Council	21,988	8,795	30,783	
Military Department	10,946	0	10,946	
Revenue	544,730	365,807	910,537	
State Patrol	364,233	353,112	717,345	
Supreme Court	104,208	8,943	113,151	
Veterans Affairs	295,172	122,173	417,345	
Grand Total	7,830,364	6,466,547	14,296,911	

The enacted 2026 adjustments include General Fund base reductions for the Budget Office, Building Division, Personnel, Employee Relations, and the Capital Commission. Total reductions were \$927,889 in each year for a total reduction of \$1,855,778 for the biennium.

The enacted adjustments also include a one-time General Fund appropriation reduction of \$560,000 in FY2025-26 due to alternative fund sources for the Personnel Division, and a General Fund lapse of \$500,000 from reappropriated funds for the Budget Office.

Department of Economic Development

The enacted budget includes operations reductions in budget program 603, totaling \$2,385,950 each fiscal year. Of this, \$785,950 per year is reduced due to the termination of the Small Business Assistance Act. An additional \$1.6 million per year is reduced from general operating expenses.

Additionally, the funding for the state marketing campaign is eliminated. The program was initially funded with \$10 million of federal CARES funding and then paused until FY2024-25, when \$5 million of General Funds per year was appropriated. The program was an advertising and marketing campaign created with the intent to attract people and businesses into Nebraska.

In the 2026 session, the enacted budget merges Program 604 (Incentives) into Program 603 (Industrial Recruitment). This will give the Department flexibility in its overall General Fund appropriation.

Commission on Law Enforcement & Criminal Justice

LB 1241 (2022) established the Law Enforcement Attraction and Retention Act to address declining applications by providing tiered retention bonuses, hiring grants for understaffed agencies, and allocating \$5

million annually for these incentives through June 30, 2028. The budget reappropriates any unexpended funds from FY2024-25, except for \$8 million, into the budget biennium for use as well. With sufficient funds available, the enacted budget includes a \$2.5 million reduction for FY2025-26 and FY2026-27.

During the 2026 session, the adjustments include restoring funding to support Law Enforcement Attractive and Retention Act (LEAR) incentive payments by adding \$2.5 million in General Funds in FY2025-26 and \$2.5 million in FY2026-27, returning annual LEAR funding to the original \$5 million level. The Nebraska Commission on Law Enforcement and Criminal Justice states this is needed because LEAR expenditures are approximately \$3.25 million in FY25-26, which has exhausted the currently available \$2.5 million appropriation, preventing further hiring and tiered retention bonus payments from being processed.

The enacted 2026 adjustments also include a budget restructure that consolidates 12 budget programs into five. Under the restructure, Program 153 combines aid from existing Programs 150 and 155, with the operations portion moved to Program 198; Program 206 combines aid from existing Programs 201, 202, and 204, with the operations portion moved to Program 198; and Program 198 consolidates existing Programs 198, 203, 215, and 220. Programs 199 and 210 remain unchanged. The restructure also included approval to amend section 43-2402.02 to reduce the allowable annual appropriation for developing a common data set and evaluating the Community-based Juvenile Services Aid Program to 5%, and to require a third-party evaluation, which expands the agency’s ability to use evaluators other than the University of Nebraska at Omaha (UNO).

Defined Benefit Retirement Plans

Funding for the defined benefit retirement plans for schools, judges, and the State Patrol are based on the actuarial report. The initial increase was \$2.3 million in FY2025-26 and \$2.8 million in FY2026-27, which reflect the November 2024 actuarial experience study and valuations. LB 645 (2025) amended the employee contribution rate as well as the contribution of state funds for the School Retirement Plan based upon the funded ratio on the actual value of assets. The impact is a reduction of state funds contributed in FY2025-26 of \$32.6 million and \$51.4 million in FY2026-27. The bill also amends the benefits relating to the death of a trooper for the State Patrol Retirement Plan, which is estimated to increase state contributions to that plan by \$3.3 million in FY2027-28 and in FY2028-29.

During the 2026 session, adjustments based on the 2025 actuarial report result in an increase of \$4.1 million in FY2026-27, including \$3.4 million for the State Patrol retirement plan as the impact of LB 645 is needed one year earlier. Additionally, the Legislature passed LB 1101, which restructures the state’s contributions to the Judges’ Retirement Plan to 0% beginning in FY2026-27, resulting in a savings of \$1.2 million.

Table 24 General Fund Retirement Plan Funding by Plan

	2025 Budget Bill		LB 645 (2025)		2026 Adjustments		LB 1101 (2026)		Total Enacted Budget	
	FY25-26	FY26-27	FY25-26	FY26-27	FY25-26	FY26-27	FY25-26	FY26-27	FY25-26	FY26-27
Omaha Service Annuity	1,534,144	1,600,000	0	0	0	(105,559)	0	0	1,534,144	1,494,441
2%-State Schools	50,118,963	51,400,000	(32,577,326)	(51,400,000)	0	0	0	0	17,541,637	0
2%-Omaha Schools	9,073,468	9,000,000	0	0	0	1,087,551	0	0	9,073,468	10,087,551
Subtotal Schools	60,726,575	62,000,000	(32,577,326)	(51,400,000)	0	981,992	0	0	28,149,249	11,581,992
State Patrol	6,834,870	6,000,000	0	0	0	3,416,612	0	0	6,834,870	9,416,612
Judges	1,459,899	1,512,000	0	0	0	(290,792)	0	(1,221,208)	1,459,899	0
Total	69,021,344	69,512,000	(32,577,326)	(51,400,000)	0	4,107,812	0	(1,221,208)	36,444,018	20,998,604

Department of Water, Energy, and the Environment

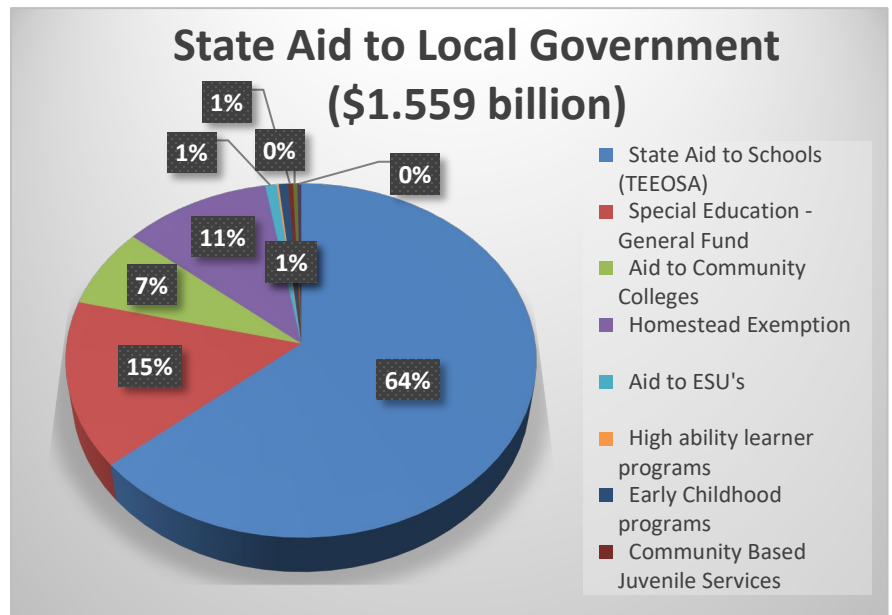
LB 317, enacted in 2025, merged two state agencies into the Department of Water, Energy, and the Environment. In the enacted budget, the budget programs and appropriations for the Department of Natural Resources are moved to agency 84, and the Department of Environment and Energy, previously agency 84, is renamed. There is no net impact of the change, but the appropriations are combined pursuant to the provisions of LB 317.

During the 2026 session, the budget adjustments include a reduction of \$525,000 in FY2025-26 and \$50,000 in FY2026-27 relating to efficiencies identified during the merger of the Department of Natural Resources into the newly formed Department of Water, Energy, and Environment. The adjustments also include a reduction of \$343,263 General Funds in both FY2025-26 and FY2026-27, reflecting vacant positions, which will be closed out by the agency.

General Fund State Aid to Local Governments

Aid to Local Governments accounts for aid payments to local governments that have the authority to levy a property tax such as cities, counties, K-12 schools, community colleges, natural resource districts (NRD's), and educational services units (ESU's).

As adjusted in the 2026 session, state aid to local governments increased \$38.1 million in FY2025-26 and increased \$3.1 million in FY2026-27, as compared to the FY2024-25 base appropriation. The two-year average annual growth in this area is 0.1% per year. Sixty-four percent of total General Fund appropriations for state aid to local governments is for TEEOSA state aid to schools, 15% for special education reimbursements, 7% for aid to community colleges, and 11% for the homestead exemption. It is important to note that TEEOSA, special education reimbursements, and aid to community colleges are also paid using cash fund appropriations, and such cash funds are funded by transfers of money out of the General Fund.



State Aid to Schools (TEEOSA)

Changes related to state aid under the Tax Equity and Educational Opportunities Support Act (TEEOSA) are included in the enacted budget adjustments. Actual insurance premium tax for FY2025-26 increased slightly from the estimated amount of \$43 million, resulting in savings of \$858,119 for FY2025-26. The budget includes the \$858,119 reduction in FY2025-26 and a reduction from the 2025 enacted budget of \$30.4 million in FY2026-27 based upon the March 1 certification of TEEOSA aid from the State Department of Education. The estimates at Sine Die 2025, in the preliminary budget, and in the enacted budget are shown below.

Table 25 – TEEOSA State Aid to Education

TEEOSA – Sine Die 2025	FY2025-26	FY2026-27	FY2027-28	FY2028-29
State General Funds	1,036,453,304	1,024,467,449	1,040,811,980	1,058,083,880
Education Future Fund	112,977,519	113,571,200	114,182,930	114,820,994
Insurance Premium Tax	43,000,000	45,000,000	46,500,000	48,000,000
Total TEEOSA Aid	1,192,430,823	1,183,038,649	1,201,494,910	1,220,904,874
TEEOSA – Committee Preliminary	FY2025-26	FY2026-27	FY2027-28	FY2028-29
State General Funds	1,035,595,185	1,036,428,830	1,036,902,788	1,045,374,048
Education Future Fund	112,977,519	113,571,170	114,182,859	114,820,871
Insurance Premium Tax	43,858,118	45,000,000	46,500,000	48,000,000
Total TEEOSA Aid	1,192,430,822	1,195,000,000	1,197,585,647	1,208,194,920
TEEOSA - Enacted	FY2025-26	FY2026-27	FY2027-28	FY2028-29
State General Funds	1,035,595,185	994,035,905	1,014,023,779	1,028,461,814
Education Future Fund	112,977,519	112,196,843	112,794,802	113,412,552
Insurance Premium Tax	43,858,118	45,000,000	46,500,000	48,000,000
Total TEEOSA Aid	1,192,430,822	1,151,232,748	1,173,318,581	1,189,874,366
Difference in General Funds from Sine Die 2025	(858,119)	(30,431,544)	(26,788,201)	(29,622,066)

State Aid to Schools (Other)

The 2026 budget adjustments also include a one-time offset of General Funds for school breakfast to utilize federal funds in FY2025-26 and an earmark of funds in Program 351 – Vocational Rehabilitation to be used for a pilot program pursuant to LB 1140.

LB 966 (2026) created the Hunger-Free Schools Pilot Program, which increase General Fund appropriations for school meals by \$55,638 in FY2026-27, and cash fund appropriations by \$1,151,180 in FY2026-27.

Homestead Exemption

The enacted budget includes an increase of \$10.6 million in FY2025-26 and \$20.8 million in FY2026-27 for homestead exemptions. Additionally, due to LB 126 (2024), homestead exemptions are expected to increase by \$317,000 in FY25-26 and \$503,000 in FY26-27, making the total appropriation \$159.917 million for FY2025-26 and \$170.303 million for FY2026-27.

Additionally, the 2026 budget adjustments include the projected increase for appropriations needed to fully reimburse local governments for losses associated with homestead exemptions. The appropriations for the program are increased by \$1,883,000 in FY2025-26 and \$2,897,000 in FY2026-27, making the appropriation for homestead exemptions \$161.8 million in FY2025-26 and \$173.2 million in FY2026-27.

Table 26 Historical Homestead Exemption Appropriation

	New Appropriation	Deficit	Final Appropriation	Change over prior yr \$	%
FY2004-05	48,838,100	1,563,176	50,401,276	3,781,276	8.1%
FY2005-06	52,920,000	907,000	53,827,000	3,425,724	6.8%
FY2006-07	56,473,000	260,000	56,733,000	2,906,000	5.4%
FY2007-08	70,056,960	(7,000,000)	63,056,960	6,323,960	11.1%
FY2008-09	76,120,104	(14,870,104)	61,250,000	(1,806,960)	-2.9%
FY2009-10	62,250,000	3,609,000	65,859,000	4,609,000	7.5%
FY2010-11	65,000,000	3,800,000	68,800,000	2,941,000	4.5%
FY2011-12	72,300,000	(4,200,000)	68,100,000	(700,000)	-1.0%
FY2012-13	72,500,000	(5,000,000)	67,500,000	(600,000)	-0.9%
FY2013-14	71,600,000	(6,500,000)	65,100,000	(2,400,000)	-3.6%
FY2014-15	73,521,000	(6,121,000)	67,400,000	2,300,000	3.5%
FY2015-16	71,000,000	600,000	71,600,000	4,200,000	6.2%
FY2016-17	72,515,000	2,235,000	74,750,000	3,150,000	4.4%
FY2017-18	78,200,000	3,100,000	81,300,000	6,550,000	8.8%
FY2018-19	84,100,000	1,300,000	85,400,000	4,100,000	5.0%
FY2019-20	92,800,000	0	92,800,000	7,400,000	8.7%
FY2020-21	101,100,000	2,000,000	103,100,000	10,300,000	11.1%
FY2021-22	108,400,000	3,800,000	112,200,000	9,100,000	8.8%
FY2022-23	121,300,000	(1,800,000)	119,500,000	7,300,000	6.5%
FY2023-24	128,000,000	14,700,000	142,700,000	23,200,000	19.4%
FY2024-25	149,000,000	2,000,000	151,000,000	8,300,000	5.8%
FY2025-26	159,917,000	1,883,000	161,800,000	10,800,000	7.2%
FY2026-27	170,303,000	2,897,000	173,200,000	11,400,000	7.0%
20 Yr Ave Growth					5.7%

Riparian Vegetation Aid

The enacted budget includes a reduction of \$353,000 per fiscal year for riparian vegetation aid to natural resources districts, reducing the program from \$706,000 per fiscal year. In 2026, the funding of \$353,000 General Funds is eliminated for FY2025-26 due to the passage of LB807 (2026), which would remove the program from the Department of Agriculture and transfer administration of the program to the Department of Water, Energy and Environment (DWEE). DWEE will utilize cash funds for administering the aid program.

Aid to Community Colleges

An increase of \$5 million per fiscal year of General Fund aid is included in the enacted budget, which is designated for dual enrollment. Refer to the section on Cash Fund Appropriations for more details on the increase included from the Community College Future Fund.

In the 2026 session, \$5 million in FY2026-27 from general aid (not dual enrollment), is reduced. Total General Fund aid, including the amount designated for dual enrollment, is \$119.1 million in FY2025-26 and \$114.1 million in FY2026-27. Even with the reduction in General Fund aid, community college aid from the state from all fund sources increases 2.19% from FY2025-26 to FY2026-27 and could increase when Community College Future Fund aid is certified in August 2026.

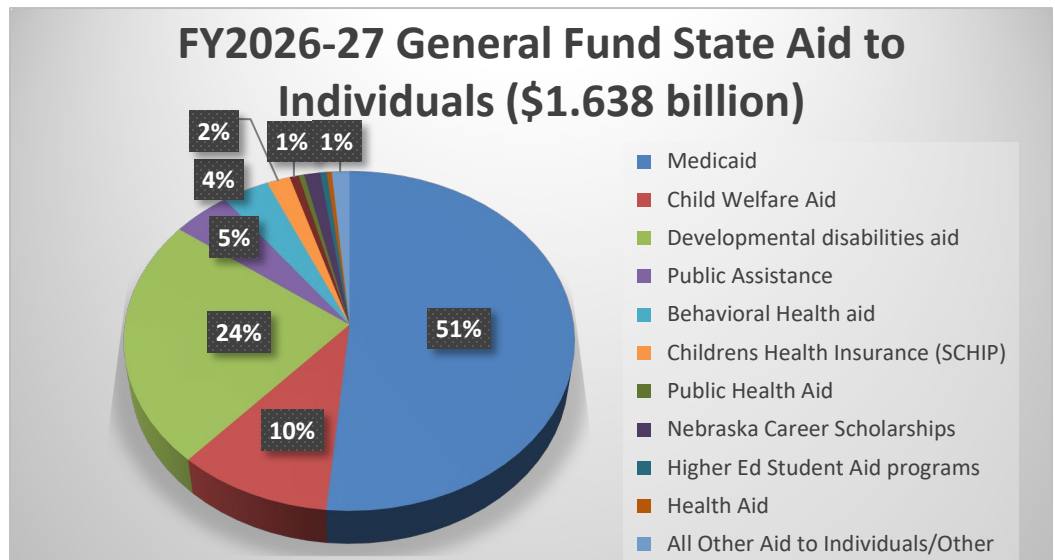
It is important to note that while the appropriation for aid from the Community College Cash fund is listed below as separate from the General Fund aid, all monies in the Community College Future Fund are transferred from the General Fund.

Table 27 Total Appropriations for Community Colleges FY2019-20 to FY2026-27

Community Colleges	FY22/FY23 Biennium		FY24/25 Biennium		FY26/FY27 Budget	
	FY2021-22	FY2022-23	FY2023-24	FY2024-25	FY2025-26	FY2026-27
Base Year appropriation	103,558,339	103,558,339	109,804,330	109,804,330	114,116,711	114,116,711
State aid	2,071,167	4,183,757	2,134,842	4,312,381	0	(5,000,000)
Dual Credit	1,015,583	2,062,234	0	0	5,000,000	5,000,000
Total General Funds	106,645,089	109,804,330	111,939,172	114,116,711	119,116,711	114,116,711
\$ Change (GF)	3,086,750	3,159,241	2,134,842	2,177,539	5,000,000	(5,000,000)
% Change (GF)	2.98%	2.96%	1.94%	1.95%	4.38%	-4.20%
Federal ARPA Funds	0	15,000,000	0	0	0	0
CC Future Fund	0	0	0	253,322,713	271,446,476	285,018,800
TOTAL ALL FUNDS	106,645,089	124,804,330	111,939,172	367,439,424	390,563,187	399,135,511
\$ Change (ALL FUNDS)	3,086,750	18,159,241	-12,865,158	255,500,252	23,123,763	8,572,324
% Change (ALL FUNDS)	2.98%	17.03%	-10.31%	228.25%	6.29%	2.19%

General Fund State Aid to Individuals / Others

Aid to Individuals/Other includes programs such as Medicaid, public assistance programs, child welfare services, and student scholarships where state funds are provided for the direct benefit of an individual. This area also includes aid to quasi-government units, which are those local agencies that do not have the authority to levy property taxes, including entities such as area agencies on aging and mental health regions.



With the 2026 midbiennium budget adjustments, state aid to individuals increases by 21.8 million in FY2025-26 and decreases \$69.5 million in FY2026-27, as compared to the FY2024-25 base appropriation. Two-year average annual appropriation growth is (2.1%) per year. Of amounts appropriated, 51% is for Medicaid, 24% for developmental disabilities aid, 10% for child welfare aid, 5% for public assistance, 4% for behavioral health aid, and the remaining 6% is for all other aid programs.

Department of Health and Human Services

Non-Medicaid Provider Rate Maintenance and Reappropriations

The enacted budget includes reappropriation of unexpended FY2024-25 General Funds for use in the FY2025-26/2026-27 biennium in multiple programs. In Program 354 Child Welfare, the agency initially requested an additional \$10 million in General Funds to maintain provider rates. That request was rescinded and replaced with the request to reappropriate up to \$10 million. The agency remains committed to improving IV-E penetration rates to increase federal fund claiming and intends to reduce expenditures by FY2026-27 enough to be able to fund the provider rates within their current appropriation. Similarly, in Program 424 Developmental Disabilities Aid, the budget includes reappropriation to maintain provider rates. In Program 38 Behavioral Health Aid, reappropriation was included to address added costs associated with new programming to address Olmstead requirements. The Justice Department found in May of 2024 that individuals with Severe Mental Illness in Nebraska were unjustly institutionalized and additional services for community integration need to be established. DHHS is pursuing a Medicaid Waiver to claim federal matching for these new services.

Behavioral Health Aid

The 2026 midbiennium adjustments include the following changes in the behavioral health aid program:

- A reduction of \$16,000,000 General Funds in FY25-26 only in Behavioral Health Aid. This amount reflects a portion of carryover funds that were set aside for a Severe Mental Illness waiver that the agency indicates is no longer moving forward.
- A reduction of \$100,000 General Funds in FY26-27 in Behavioral Health Aid for Mental Health Training for nonprofessionals and amends the Nebraska Mental Health First Aid Training Act to be permissive.
- Reductions in the amounts of \$2,987,500 in FY2025-26 and \$3,350,000 in FY2026-27 and increases to cash fund and federal fund appropriation pursuant to operational efficiencies identified by the agency to increase federal claiming and reduce or eliminate contractual expenses.
- A reduction of \$6,500,000 General Funds in FY2026-27 for elimination of state support for Lasting Hope Recovery Center, an acute care behavioral health service in Omaha supported by CHI Health.

Rural Health Provider Incentive Program

The 2026 midbiennium adjustments include a reduction of \$500,000 General Funds in FY2026-27 for the Rural Health Provider Incentive Program.

Public Assistance

The 2026 midbiennium adjustments include reductions of General Funds in the amounts of \$16,396,819 in FY2025-26 and \$1,362,426 in FY2026-27, pursuant to operational efficiencies identified by the agency, including elimination of the final external call center which will be operated in house and adjustments to projected child care subsidy expenditures. Related to child care subsidy payments, the enacted adjustments included \$7,551,789 in FY2024-25 to maintain eligibility under the law as it existed at the time of enactment. Additional funds are appropriated pursuant to LB 304, which eliminates a sunset of the current eligibility levels, which had been scheduled to occur October 1, 2026. Refer to the section on the Health Care Cash Fund for additional detail.

Medicaid

FMAP Decrease (Programs 344/348 & 424)

The Federal Medical Assistance Percentage (FMAP) is derived from a formula, of which the average per capita income for each State relative to the national average is a factor. The FMAP is calculated each Federal Fiscal Year which begins October 1, whereas the Nebraska Fiscal Year begins July 1. Federal Fiscal Year 2027 FMAP estimates will be available in early April.

	FY23	FY24	FY25	FY26
State FY Adj.	57.80%	57.87%	58.60%	57.52%
Federal FMAP	57.87%	58.60%	57.52%	54.36%
Percent change	+0.07	+0.73	-1.08	-3.16

The FMAP for Nebraska decreased resulted in fewer federal funds, \$55 million in the current FY2024-25 plus \$295.5 million over the biennium. To address this adjustment DHHS requested additional General Funds in Medicaid (\$55 million in FY25, \$116.5 million in FY26, and \$155.5 million in FY27), CHIP (\$500k in FY26 and FY27), and Developmental Disabilities (\$7.3 million in FY26 and \$15.2 million in FY27) which is included in the budget enacted in 2025. Of note, Nebraska received a disaster-recovery FMAP adjustment for FFY26 resulting in an effectual FMAP of 55.94%, a decrease of 1.58% rather than 3.16% which is accounted for in the total funds requested and included.

In the 2026 session, a slight increase in the final FMAP results in a reduction of \$3,596,645 General Funds and increase of \$3,596,645 Federal funds in FY2026-27.

LB 527 Health Insurer Assessment (MCO)

The enacted budget includes a General Fund reduction associated with LB 527, which creates a new assessment on Health Insurers to draw down additional federal funds. A portion of the funding will be used to offset General Fund expenditures in Medicaid. The additional cash fund and federal fund appropriation for the assessment are accounted for in LB527A. The impact of the bill is a reduction of General Funds for the Medicaid program of \$60.1 million in FY2025-26 and \$117.8 million in FY2026-27. The program received federal approval in June of 2025, and the approval was retroactive to January 1, 2024.

In the 2026 session, following federal approval, the General Fund appropriation for Medicaid was reduced by \$22.5 million each fiscal year. The annual limit for offsetting General Funds in Medicaid is 3.5% up to \$17.5 million. DHHS assumes receiving \$15 million per year with 1.5 years of assessment collected each year of the biennium, due to approval of retroactive implementation.

Continuous Eligibility of Kids

As of January 1, 2024, states are required to provide 12 months of Continuous Eligibility for children under the age of nineteen in Medicaid, Program 348, and the Children's Health Insurance Program (CHIP), Program 344. This is 6 months greater than the time Nebraska was providing. Total funds are \$20.3 million in FY2024-25 (\$6 million General Funds, \$3 million cash funds and \$14.3 million FF), \$37,585,397 in FY2025-26, and \$37,931,251 in FY2026-27 including General Funds, Federal matching funds, and Hospital Assessment Cash Funds.

FY 2025-26	Program 344 CHIP	Program 348 Medicaid
General Funds	3,730,941	9,269,121
Cash Funds	3,000,000	0
Federal Funds	8,894,918	12,690,417
Total	15,625,859	21,959,538
FY 2026-27	Program 344 CHIP	Program 348 Medicaid
General Funds	3,768,251	9,361,812
Cash Funds	3,000,000	0
Federal Funds	8,983,867	12,817,321
Total	15,752,118	22,179,133

High-Cost Drugs

Medicaid programs are required to cover drugs that are approved by the Food and Drug Administration (FDA) and appropriately prescribed. DHHS notes increased expenditures on drugs, increasing from \$23.6 million in 2019 to over \$61 million in 2023. The enacted budget includes a total of \$5,308,877 in FY2025-26 (\$2,022,467 GF; \$3,286,410 FF) and \$11,722,789 in FY2026-27 (\$4,399,508 GF; \$7,323,281 FF).

Medicare Part D Clawback

Nebraska pays federal CMS for drug coverage of Dual Eligible Medicaid beneficiaries and the transaction is referred to as a “clawback”. DHHS cites a 18% increase in costs in calendar year 2024 and another 11% in calendar year 2025, with the expectation that further increases in 2026. The projected increase in costs for state fiscal year 2026 is \$30,616,755 however, efficiencies identified by the agency result in the net request of \$11,809,696 additional General Funds, which was included in the enacted budget.

In the 2026 session, an increase of \$3,736,222 General Funds in FY2025-26 and \$7,472,444 General Funds in FY2026-27 and corresponding federal fund decrease in each respective year is included in the budget adjustments to cover the Part D Clawback payment for Medicaid and Medicare dual eligible prescription drug coverage.

Certified Community Behavioral Health Clinics

The enacted budget includes the annualization of the A Bill for LB 276 passed in 2023. The go-live date of the Certified Community Behavioral Health Clinic Act (CCBHC) is January 1, 2026. The agency requested funds in Program 348, (\$1,171,182 GF & 3,682,452 FF in FY26 and \$2,342,364 GF & 7,364,905 FF in FY27) anticipating additional costs to add this service. Administrative costs can be absorbed by the agency.

Additional 2026 Adjustments in Medicaid

The 2026 budget adjustments also include several changes to General Fund appropriations, including:

- An increase of \$56,524,781 General Fund and \$72,941,048 Federal funds in FY2025-26 and \$29,644,758 General Fund and \$36,071,841 Federal funds in FY2026-27 which is needed to address encumbrance obligations and projected utilization through the end of the biennium.
- A reduction of \$15 million General Funds and \$19,356,390 Federal funds in FY2025-26 and \$15M General Funds and \$18,252,051 Federal funds in FY2026-27 for estimated savings from identifying ineligible clients who are concurrently enrolled in another state's Medicaid program.
- A reduction of \$2 million General Funds and \$2,433,607 Federal funds in FY2026-27 for estimated savings from planned implementation of cost sharing for Medicaid beneficiaries.
- A reduction of \$500,000 General Funds in FY2025-26 to eliminate the Skilled Nursing Facility Pilot program, which was unutilized.
- A reduction of \$8 million in General Funds and increase of \$8 million in Federal funds in FY2025-26 due to identification of claims for low-income children that qualified for increased federal match.
- A reduction of \$10 million General Funds and increase of \$10 million Federal funds in FY2026-27 due to incorporation of the Expansion federal match into calculations of the Medicaid Education payments to teaching hospitals.
- A reduction of \$1.4 million General Funds and \$1,703,525 Federal funds in FY2026-27 due to efficiencies in prescription drug dispensing, new allowances for 90-day supplies for medication of chronic illnesses rather than 30 days.
- A reduction of \$1,753,123 General Funds and \$2,803,327 federal funds in FY2026-27 for estimated savings from reducing retroactive eligibility. Section 3 of LB 958 requires DHHS to provide to the maximum allowance under HR1, the One Big Beautiful Bill Act, which limits retroactive coverage to 1

month for the Medicaid expansion population and 2 months for the regular Medicaid population beginning January 2027.

- A reduction of \$12,138,777 General Funds and \$15,664,194 federal funds in FY2025-26 and a reduction of \$23,599,252 General Funds and \$28,715,650 federal funds in FY2026-27 for estimated saving from reducing specific rates in Medicaid, specifically ABA services, to more closely align with other states.
- A reduction of \$5,000,000 General Funds in FY2026-27 for estimated savings for operational efficiencies identified by the Appropriations Committee and included in an amendment during floor debate.
- Approval of additional changes to Medicaid including (1) self-measure blood pressure monitors for pregnant and post-partum women (starting 1/1/2027, LB 365), (2) doula service reimbursements (no later than 1/1/2029, LB 958), and (3) establishment of a money follows the person program for individuals transitioning from an institutional setting to a home and community-based setting (no later than 12/31/26, LB 867 and LB 1209). The money follows the person program results in a reduction of \$6,761,317 General Fund and \$8,111,796 federal fund appropriation in FY2026-27 due to less funds being necessary for nursing home rates.

Child Welfare Aid

The 2026 budget adjustments include an increase of \$32,798,175 General Funds in FY2025-26 and \$15,612,789 General Funds in FY2026-27, which is needed to address projected utilization through the end of the biennium.

The 2026 budget adjustments also include several reductions of General Funds, including:

- A reduction of \$1,401,500 General Funds in FY2025-26 and \$5,605,998 General Funds in FY2026-27 due to implementation of a six-month cap with exceptions up to nine months on family support services.
- A reduction of \$6 million General Funds in FY2025-26 and \$16 million General Funds in FY2026-27 due to transition of kinship foster care services from contracts to internal case management.
- A reduction of \$7,196,676 General Funds in FY2025-26 and \$8,178,901 General Funds in FY2026-27 due to agency identified efficiencies including a reduction to tribal contracts, increased Developmental Disabilities Aid claiming for qualifying youth with Letters of Agreement for care, and termination of contracts including the Foster Care Closet and Families Forever.
- A reduction of \$3,883,432 General Funds and increase of \$3,883,432 Health Care Cash Funds in FY2026-27 in Child Welfare Program 354 to cover costs associated with Letters of Agreement.
- An increase of \$450,000 General Funds in FY2026-27 for domestic violence services in Program 354 Child Welfare aid. These funds were amended into the budget during General File debate by AM 2820 in an effort to partially restore a \$850,000 cash fund appropriation reduction for this purpose, Medicaid Managed Care Excess Profit Funds, due to over obligation of the estimate cash fund revenue.

Developmental Disability Aid

Funding for Elimination of the Developmental Disabilities (DD) Waitlist

In March 2024, DHHS announced plans to eliminate the registry of individuals awaiting services for DD Aid through evaluating need and increasing services. For additional details visit <https://dhhs.ne.gov/Pages/DD-Wait-List.aspx>. To fund additional services, DHHS requested \$7,821,499 in General Funds and \$22,766,983 corresponding Federal matching funds in FY2025-26 and \$16,647,104 in General Funds and \$22,571,075 Federal funds in FY2026-27, which is included in the enacted budget. The enacted budget also lapses \$8 million of unexpended FY2024-25 General Funds in Program 421 Beatrice State Developmental Center be

reappropriated for use in FY2025-26 in Program 424. The enacted budget includes \$11 million increase to DD aid from the Health Care Cash Fund.

In the 2026 session, several additional adjustments are made to the DD aid program, including:

- A reduction of \$2,800,000 in General Funds and \$3,407,049 federal funds in FY2026-27 due to elimination of the Consultive Assessment, essentially applied behavioral analysis services, which the agency indicates will still be provided to those with medical necessity through Medicaid.
- A reduction of \$3,318,016 in General Funds and \$4,037,373 Federal funds in FY2026-27 due to termination of a contract with the League of Human Dignity. Moving forward, the agency plans to provide service coordination for individuals on the Aged and Disabled Waiver internally rather than through this contract.
- A reduction of total funds in the amounts of \$3,435,639 in FY2025-26 (\$1.5 million General Funds) and \$5,542,008 in FY2026-27 (2,500,000 General Funds), pursuant to agency expectations of a 10% and 15% reduction in Risk Tier funding.
- A reduction of \$14,118,676 in General Funds and \$17,179,653 in federal funds in FY2026-27, pursuant to agency expectations of reduced exception funding based on changes to how the program is implemented, specifically caps on budget with limited exceptions.
- A transfer of \$180,101,322 General Fund appropriation and \$219,147,895 Federal fund appropriation in FY2026-27 from Medicaid (program 348) to Developmental Disabilities (Program 424) pursuant to the change in administration of the Aged and Disabled waiver program.

Public Health Aid

The enacted budget includes a reduction for Local Public Health Departments by \$3.5 million. This issue rolls back the addition of \$1.5 million introduced in LB 1018 (2020) and partially rolls back additions introduced in LB 585 (2021), reducing \$2 million of the \$3 million increase.

Health Aid

The 2026 midbiennium adjustments include a reduction of \$218,000 in General Funds and an increase of \$218,000 Health Care Cash Funds in FY2026-27 to change the funding source for the, “Every Woman Matters” program and a reduction of \$290,000 in General Funds and an increase of \$290,000 Health Care Cash Funds in FY2026-27 to change the funding source for the, “Stay in the Game” program.

Education Scholarships

Due to the adoption of Referendum Measure 425, in the 2025 session, an appropriation to the State Treasurer of \$10 million General Funds per year is eliminated. The passage of this measure eliminated the need and authority to grant such scholarships. In the midbiennium budget, additional funds were initially included for FY2026-27, appropriated to the Department of Labor, for education scholarships. However, the funding was amended out of the bill prior to enactment.

Tuition Assistance – Military Department

The 2026 budget adjustments include an increase to General Fund appropriations of \$100,000 in FY2025-26 due to the rise in tuition assistance requests by the National Guard service members.

Coordinating Commission for Postsecondary Education (CCPE)

Nebraska Opportunity Grant

The Nebraska Opportunity Grant is a need-based grant program for Nebraska students aspiring to obtain a postsecondary education. The grants are currently funded in part with Cash funds originating from lottery funds, and in part with General Funds. The FY2024-25 General Fund appropriation is \$8,093,430. The enacted

budget includes a rollback of a \$1 million increase that was applied in 2020, resulting in a \$7,093,430 General Fund appropriation each year. To ameliorate the impact to NOG grants, the enacted budget increases the agency's Cash fund spending authority by \$1.5 million each year. This increase is supported in part by a one-time transfer of \$2 million from the Workforce Development Fund. In the 2026 midbiennium adjustments, FY2025-26 General Fund appropriation for NOG grants was reduced an additional \$260,000, which is instead funded by a one-time transfer from the Davis Scholarship Fund to the Nebraska Opportunity Grant Fund. The transfer has a corresponding cash fund appropriation increase of \$260,000.

Access College Early Scholarship

The Access College Early Scholarship, or ACE Program, provides financial assistance to low-income Nebraska students taking courses for college credit while still enrolled in high school. In the 2026 midbiennium adjustments, aid for the program was reduced by \$50,000 in FY2025-26 and by \$150,000 in FY2026-27. The reductions reflect trends in actual expenditures. Total aid appropriation for each fiscal year, after the adjustment, is \$1,350,000.

Broadband Bridge and Precision Agriculture – Public Service Commission

The enacted budget includes a reduction of \$20,697,004 in General Fund aid each year. Beginning in FY2026-27, half of the administrative funding is eliminated. In order for the program to fulfill grants that are already awarded, administrative funding is provided in FY2025-26 and unexpended appropriations as of June 30, 2025, except for \$1.8 million, is reappropriated.

In the 2026 midbiennium adjustments, an additional \$3.9 million of reappropriated funds is lapsed, for a total of \$5.7 million. The amount lapsed is based on the estimate of funds not needed to pay out remaining grants under the program.

Department of Economic Development

Rural Projects Act

The enacted budget includes a \$5 million reduction per year in total General Funds, which includes a \$4,496,460 per fiscal year reduction of state aid. Applications under the law closed on June 30, 2023. The original intent was for \$50 million in total funding, which has been provided via a Cash Fund appropriation. In addition, there has been \$5 million in General Fund appropriation per year since FY2021-22 for the program making total funds for the program \$70 million.

Small Business Assistance Grant Program

The Small Business Assistance Grant Program provided \$5 million in total appropriations with \$4,214,050 in aid. The program was able to award two tiers of grants: grants up to \$25,000 for individuals looking to start businesses and grants up to \$12,500 for small business owners whose businesses have been extant for fewer than five years. The enacted budget reduced the appropriation for this program to zero for aid and operations.

Mentorship Grants

In the 2026 midbiennium adjustments, aid for mentorship grants is reduced by \$2 million in FY2026-27. The aid reduction comes from an earmark for a mentorship grant program established by LB814 in 2023. The program will continue at \$2,880,762 in authority for aid. LB 1190 is also incorporated to broaden the eligible entities who can receive grants.

Economic Recovery Act

In the 2026 midbiennium adjustments, reappropriated General Funds are lapsed from Program 611 (Economic Recovery). Total amount of lapsed General Funds is \$19,810,440. The Agency will be using the Economic

Recovery Contingency Fund (ERCF) cash balance to pay out obligations of the program. The Economic Recovery Act was initially created via LB1024 (2022) and has been amended several times since. The bulk of the remaining program obligations are related to the North/South Omaha Recovery Grants.

Business Innovation Act

In 2025, the enacted budget includes a reduction of \$3.75 million per year in aid. The Business Innovation Act has several subprograms with various caps on aid, which are as follows:

- Planning grants: Cap \$6 million/year
- Financial Assistance for Prototypes: Cap \$6 million/year
- Value-added Agriculture: Cap \$6 million/year
- Commercialization of Product/Process: Cap \$6 million/year
- University R&D: Cap \$6 million/year
- Small Business Investment: Cap \$3 million/year

The total authorized in law is \$33 million per year. However, the total General Fund aid appropriation is about \$14.77 million in FY2024-25. This would reduce the program to just over \$11 million per year.

In 2026, LB 847 is enacted, which creates a new funding mechanism for Business Innovation Act Grants through the Workforce Development Program Cash Fund in the Department of Labor. The bill included intent to fund the program at \$15 million per fiscal year. As a result, General Fund appropriations in FY2026-27 are reduced to \$0 and are replaced with \$15 million in cash fund appropriation from the newly created Business Innovation Cash Fund (\$1.1 million for operations and \$13.9 million for aid).

Youth Outdoor Education Innovation

The enacted budget includes a transfer of the balance (approximately \$8.2 million) of the Youth Outdoor Education Innovation Fund to the General Fund. The enacted budget includes a one-time General Fund appropriation of \$1 million of aid to Program 601 for the purposes of providing match for the act. The match for the project requires certification from the Department of Economic Development under the act, appropriations will be provided upon this certification. The project is to fund the construction of a new 4-H camp after a fire in 2022 destroyed the original campsite.

Soil and Water Conservation – Department of Water, Energy, and Environment

The enacted budget includes a reduction of General Funds each year of the biennium for the NSWCF of \$1,806,112, replaced with a transfer of \$2 million per year from the Nebraska Environmental Trust Fund and commensurate appropriation of cash. NSWCF was established in 1977 and provides state aid to Nebraska landowners for the installation of approved soil and water conservation measures (approval comes from the Natural Resources Commission). Eligible practices include terraces, terrace outlets, irrigation reuse pits, grade stabilization structures, dams, diversions, grassed waterways, control basins, pasture and range seeding, planned grazing systems, irrigation water management and windbreaks and windbreak renovations. Demand has exceeded funds available in recent years.

General Fund Appropriations by Agency

Table 28 Total General Fund Appropriations by Agency and Type – 2025 and 2026 Sessions

		Per 2025 Session		Adj 2026 Session		Per 2026 Session		
		Enacted FY2025-26	Enacted FY2026-27	Enacted FY2025-26	Enacted FY2026-27	Adj Total FY2025-26	Adj Total FY2026-27	
	Type							
#03	Legislative Council	Oper	27,509,640	27,714,440	2,350,534	3,986,525	29,860,174	31,700,965
#03	Legislative Council	Total	27,509,640	27,714,440	2,350,534	3,986,525	29,860,174	31,700,965
#05	Supreme Court	Aid	270,000	270,000	0	0	270,000	270,000
#05	Supreme Court	Oper	239,092,551	244,929,476	(6,604,208)	(6,508,943)	232,488,343	238,420,533
#05	Supreme Court	Total	239,362,551	245,199,476	(6,604,208)	(6,508,943)	232,758,343	238,690,533
#07	Governor	Oper	2,211,929	2,211,929	0	0	2,211,929	2,211,929
#07	Governor	Total	2,211,929	2,211,929	0	0	2,211,929	2,211,929
#08	Lt. Governor	Oper	160,748	160,748	0	0	160,748	160,748
#08	Lt. Governor	Total	160,748	160,748	0	0	160,748	160,748
#09	Secretary of State	Oper	3,212,731	3,278,516	5,000	1,667	3,217,731	3,280,183
#09	Secretary of State	Total	3,212,731	3,278,516	5,000	1,667	3,217,731	3,280,183
#10	State Auditor	Oper	4,484,179	4,916,768	0	0	4,484,179	4,916,768
#10	State Auditor	Total	4,484,179	4,916,768	0	0	4,484,179	4,916,768
#11	Attorney General	Oper	8,899,115	9,141,772	0	(300,000)	8,899,115	8,841,772
#11	Attorney General	Total	8,899,115	9,141,772	0	(300,000)	8,899,115	8,841,772
#12	State Treasurer	Aid	0	0	0	0	0	0
#12	State Treasurer	Oper	1,167,378	1,169,002	0	0	1,167,378	1,169,002
#12	State Treasurer	Total	1,167,378	1,169,002	0	0	1,167,378	1,169,002
#13	Education	Aid	1,308,343,430	1,296,622,063	(1,358,119)	(30,375,906)	1,306,985,311	1,266,246,157
#13	Education	Oper	35,703,605	36,398,043	385,902	(89,938)	36,089,507	36,308,105
#13	Education	Total	1,344,047,035	1,333,020,106	(972,217)	(30,465,844)	1,343,074,818	1,302,554,262
#14	Public Service Comm	Aid	0	0	0	0	0	0
#14	Public Service Comm	Oper	2,631,259	2,527,550	5,200	0	2,636,459	2,527,550
#14	Public Service Comm	Total	2,631,259	2,527,550	5,200	0	2,636,459	2,527,550
#15	Parole Board	Oper	1,656,272	1,705,797	0	0	1,656,272	1,705,797
#15	Parole Board	Total	1,656,272	1,705,797	0	0	1,656,272	1,705,797
#16	Revenue	Aid	159,917,000	170,303,000	1,883,000	2,897,000	161,800,000	173,200,000
#16	Revenue	Oper	33,704,887	33,970,083	(13,312,709)	(28,722,502)	20,392,178	5,247,581
#16	Revenue	Total	193,621,887	204,273,083	(11,429,709)	(25,825,502)	182,192,178	178,447,581
#18	Agriculture	Aid	653,000	653,000	0	(353,000)	653,000	300,000
#18	Agriculture	Oper	5,959,621	5,959,621	(261,996)	(847,366)	5,697,625	5,112,255
#18	Agriculture	Total	6,612,621	6,612,621	(261,996)	(1,200,366)	6,350,625	5,412,255
#21	Fire Marshal	Oper	5,219,720	4,707,230	(510,147)	(446,723)	4,709,573	4,260,507
#21	Fire Marshal	Total	5,219,720	4,707,230	(510,147)	(446,723)	4,709,573	4,260,507
#23	Labor	Aid	0	0	0	0	0	0
#23	Labor	Oper	1,030,515	1,051,569	(266,358)	(1,051,569)	764,157	0
#23	Labor	Total	1,030,515	1,051,569	(266,358)	(1,051,569)	764,157	0
#25	DHHS	Aid	1,684,696,402	1,697,023,080	(17,004,594)	(107,601,161)	1,667,691,808	1,589,421,919
#25	DHHS	Oper	338,611,048	354,539,364	(2,054,104)	3,985,886	336,556,944	358,525,250
#25	DHHS	Total	2,023,307,450	2,051,562,444	(19,058,698)	(103,615,275)	2,004,248,752	1,947,947,169
#28	Veterans Affairs	Oper	56,368,794	58,078,076	(9,065,172)	(5,208,878)	47,303,622	52,869,198
#28	Veterans Affairs	Total	56,368,794	58,078,076	(9,065,172)	(5,208,878)	47,303,622	52,869,198

			Per 2025 Session		Adj 2026 Session		Per 2026 Session	
		Type	Enacted FY2025-26	Enacted FY2026-27	Enacted FY2025-26	Enacted FY2026-27	Adj Total FY2025-26	Adj Total FY2026-27
#29	Natural Resources	Aid	0	0	0	0	0	0
#29	Natural Resources	Oper	0	0	0	0	0	0
#29	Natural Resources	Total	0	0	0	0	0	0
#31	Military Dept	Aid	6,052,793	6,052,793	100,000	0	6,152,793	6,052,793
#31	Military Dept	Oper	5,381,261	5,511,931	(472,145)	(494,626)	4,909,116	5,017,305
#31	Military Dept	Total	11,434,054	11,564,724	(372,145)	(494,626)	11,061,909	11,070,098
#32	Ed Lands & Funds	Oper	497,895	515,252	(9,000)	(9,000)	488,895	506,252
#32	Ed Lands & Funds	Total	497,895	515,252	(9,000)	(9,000)	488,895	506,252
#33	Game & Parks	Aid	52,500	52,500	0	0	52,500	52,500
#33	Game & Parks	Oper	8,332,647	8,332,647	0	0	8,332,647	8,332,647
#33	Game & Parks	Total	8,385,147	8,385,147	0	0	8,385,147	8,385,147
#34	Library Commission	Aid	1,481,153	1,481,153	0	0	1,481,153	1,481,153
#34	Library Commission	Oper	3,257,988	3,363,036	(36,000)	(36,000)	3,221,988	3,327,036
#34	Library Commission	Total	4,739,141	4,844,189	(36,000)	(36,000)	4,703,141	4,808,189
#35	Liquor Control	Oper	2,009,807	2,009,807	875,486	704,400	2,885,293	2,714,207
#35	Liquor Control	Total	2,009,807	2,009,807	875,486	704,400	2,885,293	2,714,207
#46	Correctional Services	Aid	4,000,000	4,000,000	0	0	4,000,000	4,000,000
#46	Correctional Services	Oper	366,355,826	378,503,240	(3,918,350)	(15,509,182)	362,437,476	362,994,058
#46	Correctional Services	Total	370,355,826	382,503,240	(3,918,350)	(15,509,182)	366,437,476	366,994,058
#47	NETC	Oper	11,827,225	12,116,583	(163,600)	(332,600)	11,663,625	11,783,983
#47	NETC	Total	11,827,225	12,116,583	(163,600)	(332,600)	11,663,625	11,783,983
#48	Coordinating Comm	Aid	16,493,430	16,593,430	(310,000)	(150,000)	16,183,430	16,443,430
#48	Coordinating Comm	Oper	1,733,790	1,689,068	0	0	1,733,790	1,689,068
#48	Coordinating Comm	Total	18,227,220	18,282,498	(310,000)	(150,000)	17,917,220	18,132,498
#50	State Colleges	Aid	5,180,000	5,180,000	0	0	5,180,000	5,180,000
#50	State Colleges	Oper	69,898,448	71,971,164	0	0	69,898,448	71,971,164
#50	State Colleges	Total	75,078,448	77,151,164	0	0	75,078,448	77,151,164
#51	University of Nebraska	Aid	8,000,000	8,000,000	0	0	8,000,000	8,000,000
#51	University of Nebraska	Oper	695,683,768	700,054,475	0	0	695,683,768	700,054,475
#51	University of Nebraska	Total	703,683,768	708,054,475	0	0	703,683,768	708,054,475
#54	Historical Society	Oper	5,286,038	5,286,038	(725,604)	(545,604)	4,560,434	4,740,434
#54	Historical Society	Total	5,286,038	5,286,038	(725,604)	(545,604)	4,560,434	4,740,434
#64	State Patrol	Oper	90,972,703	90,739,673	(4,180,209)	(1,935,274)	86,792,494	88,804,399
#64	State Patrol	Total	90,972,703	90,739,673	(4,180,209)	(1,935,274)	86,792,494	88,804,399
#65	Admin Services (DAS)	Aid	0	0			0	0
#65	Admin Services (DAS)	Oper	10,351,158	10,680,361	(792,280)	(877,889)	9,558,878	9,802,472
#65	Admin Services (DAS)	Total	10,351,158	10,680,361	(792,280)	(877,889)	9,558,878	9,802,472
#67	Equal Opportunity	Oper	1,500,988	1,547,076	0	0	1,500,988	1,547,076
#67	Equal Opportunity	Total	1,500,988	1,547,076	0	0	1,500,988	1,547,076
#68	Latino Amer Comm.	Oper	304,402	309,869	0	0	304,402	309,869
#68	Latino Amer Comm.	Total	304,402	309,869	0	0	304,402	309,869
#69	Arts Council	Aid	1,849,209	1,849,209	0	0	1,849,209	1,849,209
#69	Arts Council	Oper	819,150	850,377	0	0	819,150	850,377
#69	Arts Council	Total	2,668,359	2,699,586	0	0	2,668,359	2,699,586

		Per 2025 Session		Adj 2026 Session		Per 2026 Session		
		Enacted	Enacted	Enacted	Enacted	Adj Total	Adj Total	
		FY2025-26	FY2026-27	FY2025-26	FY2026-27	FY2025-26	FY2026-27	
	Type							
#70	Foster Care Review	Aid	500,000	500,000	0	0	500,000	500,000
#70	Foster Care Review	Oper	2,704,985	2,821,679	0	0	2,704,985	2,821,679
#70	Foster Care Review	Total	3,204,985	3,321,679	0	0	3,204,985	3,321,679
#72	Economic Dev	Aid	17,601,114	16,601,114	(250,000)	(13,020,352)	17,351,114	3,580,762
#72	Economic Dev	Oper	7,872,888	7,959,421	(118,506)	(1,049,704)	7,754,382	6,909,717
#72	Economic Dev	Total	25,474,002	24,560,535	(368,506)	(14,070,056)	25,105,496	10,490,479
#76	Indian Affairs Comm	Oper	306,012	316,970	6,618	6,831	312,630	323,801
#76	Indian Affairs Comm	Total	306,012	316,970	6,618	6,831	312,630	323,801
#77	Industrial Relations	Oper	341,395	348,208	0	(60)	341,395	348,148
#77	Industrial Relations	Total	341,395	348,208	0	(60)	341,395	348,148
#78	Crime Commission	Aid	7,023,117	7,023,117	(1,091,160)	(749,300)	5,931,957	6,273,817
#78	Crime Commission	Oper	8,736,663	8,878,791	2,092,036	2,088,917	10,828,699	10,967,708
#78	Crime Commission	Total	15,759,780	15,901,908	1,000,876	1,339,617	16,760,656	17,241,525
#81	Blind/Visually Impaired	Aid	381,871	381,871	0	0	381,871	381,871
#81	Blind/Visually Impaired	Oper	2,771,028	3,047,517	0	0	2,771,028	3,047,517
#81	Blind/Visually Impaired	Total	3,152,899	3,429,388	0	0	3,152,899	3,429,388
#82	Deaf/Hard of Hearing	Oper	1,264,949	1,312,784	0	0	1,264,949	1,312,784
#82	Deaf/Hard of Hearing	Total	1,264,949	1,312,784	0	0	1,264,949	1,312,784
#83	Community Colleges	Aid	119,116,711	119,116,711	0	(5,000,000)	119,116,711	114,116,711
#83	Community Colleges	Total	119,116,711	119,116,711	0	(5,000,000)	119,116,711	114,116,711
#84	Water, Energy, Environ	Aid	0	0	0	0	0	0
#84	Water, Energy, Environ	Oper	16,301,749	16,351,749	(1,405,835)	(1,570,835)	14,895,914	14,780,914
#84	Water, Energy, Environ	Total	16,301,749	16,351,749	(1,405,835)	(1,570,835)	14,895,914	14,780,914
#85	Retirement Board	Oper	36,444,018	18,112,000	0	2,886,604	36,444,018	20,998,604
#85	Retirement Board	Total	36,444,018	18,112,000	0	2,886,604	36,444,018	20,998,604
#87	Account/Disclosure	Oper	754,672	644,602	0	0	754,672	644,602
#87	Account/Disclosure	Total	754,672	644,602	0	0	754,672	644,602
#90	African Amer Affairs	Oper	297,507	307,558	0	0	297,507	307,558
#90	African Amer Affairs	Total	297,507	307,558	0	0	297,507	307,558
#93	Tax Equal/Review	Oper	1,462,018	1,504,435	0	0	1,462,018	1,504,435
#93	Tax Equal/Review	Total	1,462,018	1,504,435	0	0	1,462,018	1,504,435
#97	Asian Affairs Comm	Oper	291,316	297,917	0	0	291,316	297,917
#97	Asian Affairs Comm	Total	291,316	297,917	0	0	291,316	297,917
	Construction-Reaffirm	Const	21,303,928	21,303,928	0	0	21,303,928	21,303,928
	Construction-New	Const	250,000	0	0	0	250,000	0
	Construction-Total	Total	21,553,928	21,303,928	0	0	21,553,928	21,303,928
TOTAL GENERAL FUNDS			5,484,551,944	5,520,851,181	(56,206,320)	(206,228,582)	5,428,345,624	5,314,622,599
OPERATIONS			2,121,386,286	2,147,844,212	(38,175,447)	(51,875,863)	2,083,210,839	2,095,968,349
STATE AID			3,341,611,730	3,351,703,041	(18,030,873)	(154,352,719)	3,323,580,857	3,197,350,322
CONSTRUCTION			21,553,928	21,303,928	0	0	21,553,928	21,303,928
TOTAL GENERAL FUNDS			5,484,551,944	5,520,851,181	(56,206,320)	(206,228,582)	5,428,345,624	5,314,622,599

General Fund Appropriations by Aid Program

Table 29 Total General Fund Appropriations by Aid Program

Ag #	Aid Program	Type	Per 2025 Session		Per 2026 Session			
			Enacted FY2025-26	Enacted FY2026-27	Adj FY2025-26	Adj FY2026-27	Adj Total FY2025-26	Adj Total FY2026-27
#12	Opportunity Scholarships	Ind/Other	0	0	0	0	0	0
#13	Teach in Nebraska Today Program	Ind/Other	5,000,000	5,000,000	0	0	5,000,000	5,000,000
#13	TEEOSA State Aid to Education	Local	1,036,453,304	1,024,467,449	(858,119)	(30,431,544)	1,035,595,185	994,035,905
#13	Special Education	Local	235,724,424	235,724,424	0	0	235,724,424	235,724,424
#13	Aid to ESU's	Local	13,085,000	13,349,488	0	0	13,085,000	13,349,488
#13	High ability learner programs	Local	2,342,962	2,342,962	0	0	2,342,962	2,342,962
#13	Early Childhood grant program	Local	3,619,357	3,619,357	0	0	3,619,357	3,619,357
#13	Early Childhood Endowment	Local	7,500,000	7,500,000	0	0	7,500,000	7,500,000
#13	Nurturing Healthy Behaviors	Local	400,000	400,000	0	0	400,000	400,000
#13	School Lunch	Local	392,032	392,032	0	0	392,032	392,032
#13	Hunger-Free Schools	Local	0	0	0	55,638	0	55,638
#13	Textbook loan program	Local	1,465,500	1,465,500	0	0	1,465,500	1,465,500
#13	School Breakfast reimbursement	Local	617,898	617,898	(500,000)	0	117,898	617,898
#13	Adult Education	Local	214,664	214,664	0	0	214,664	214,664
#13	Learning Communities Aid	Local	470,000	470,000	0	0	470,000	470,000
#13	Summer Food Service grants	Local	90,000	90,000	0	0	90,000	90,000
#13	High School Equivalency Assistance	Local	750,000	750,000	0	0	750,000	750,000
#13	Step Up to Quality Child Care - Scholarships	Local	100,000	100,000	0	0	100,000	100,000
#13	Step Up to Quality Child Care - Bonuses	Local	69,000	69,000	0	0	69,000	69,000
#13	Vocational Rehabilitation	Ind/Other	49,289	49,289	0	0	49,289	49,289
#14	Precision Ag	Ind/Other	0	0	0	0	0	0
#14	Broadband Bridge	Ind/Other	0	0	0	0	0	0
#16	Homestead Exemption	Local	159,917,000	170,303,000	1,883,000	2,897,000	161,800,000	173,200,000
#18	Riparian Veg grant	Local	353,000	353,000	0	(353,000)	353,000	0
#18	AgrAbility program	Ind/Other	300,000	300,000	0	0	300,000	300,000
#23	Education Scholarships	Ind/Other	0	0	0	0	0	0
#25	Behavioral Health Aid	Ind/Other	70,132,211	70,132,211	(18,987,500)	(9,950,000)	51,144,711	60,182,211

Ag #	Aid Program	Type	Per 2025 Session		Per 2026 Session			
			Enacted FY2025-26	Enacted FY2026-27	Adj FY2025-26	Adj FY2026-27	Adj Total FY2025-26	Adj Total FY2026-27
#25	Medical student assistance/RHOP	Ind/Other	2,180,723	2,180,723	0	(500,000)	2,180,723	1,680,723
#25	Children's Health Insurance (CHIP)	Ind/Other	29,952,083	29,989,393	0	0	29,952,083	29,989,393
#25	Public Assistance	Ind/Other	76,380,054	76,380,054	(16,396,819)	(1,362,426)	59,983,235	75,017,628
#25	Medicaid	Ind/Other	1,083,193,393	1,078,129,645	2,122,226	(234,597,323)	1,085,315,619	843,532,322
#25	Child Welfare aid	Ind/Other	182,756,746	183,385,911	18,199,999	(17,605,542)	200,956,745	165,780,369
#25	Youth in Transition	Ind/Other	1,281,202	1,281,202	0	0	1,281,202	1,281,202
#25	Developmental disabilities aid	Ind/Other	212,662,155	229,386,106	(1,500,000)	157,364,630	211,162,155	386,750,736
#25	Public Health aid	Ind/Other	7,083,060	7,083,060	0	0	7,083,060	7,083,060
#25	Health Aid	Ind/Other	7,352,196	7,352,196	(442,500)	(950,500)	6,909,696	6,401,696
#25	Care Management	Ind/Other	2,315,560	2,315,560	0	0	2,315,560	2,315,560
#25	Area agencies on aging	Ind/Other	9,407,019	9,407,019	0	0	9,407,019	9,407,019
#29	Water Conservation	Ind/Other	0	0	0	0	0	0
#29	Resources Development	Local	0	0	0	0	0	0
#31	Governors Emergency Program	Local	5,000,000	5,000,000	0	0	5,000,000	5,000,000
#31	Grants for military preparedness	Local	0	0	0	0	0	0
#31	Nonprofit Security Grant Program	Ind/Other	0	0	0	0	0	0
#31	Guard tuition assistance	Ind/Other	1,052,793	1,052,793	100,000	0	1,152,793	1,052,793
#33	Niobrara Council	Ind/Other	52,500	52,500	0	0	52,500	52,500
#34	Local libraries	Ind/Other	1,481,153	1,481,153	0	0	1,481,153	1,481,153
#46	Vocational and Life Skills Program	Ind/Other	4,000,000	4,000,000	0	0	4,000,000	4,000,000
#48	Nebr Opportunity Grant Program	Ind/Other	7,093,430	7,093,430	(260,000)	0	6,833,430	7,093,430
#48	Access College Early Scholarship	Ind/Other	1,400,000	1,500,000	(50,000)	(150,000)	1,350,000	1,350,000
#48	Nebraska Career Scholarships	Ind/Other	8,000,000	8,000,000	0	0	8,000,000	8,000,000
#50	Nebraska Career Scholarships	Ind/Other	4,580,000	4,580,000	0	0	4,580,000	4,580,000
#50	RHOP/PHEAST Scholarship	Ind/Other	600,000	600,000	0	0	600,000	600,000
#51	Nebraska Career Scholarships	Ind/Other	8,000,000	8,000,000	0	0	8,000,000	8,000,000
#69	Aid to arts programs	Ind/Other	1,849,209	1,849,209	0	0	1,849,209	1,849,209
#70	Court Appointed Special Advocate	Ind/Other	500,000	500,000	0	0	500,000	500,000
#72	Youth Outdoor Grant	Ind/Other	1,000,000	0	(250,000)	0	750,000	0
#72	State aid to development districts	Ind/Other	700,000	700,000	0	0	700,000	700,000
#72	Nebraska Rural Projects Act	Ind/Other	0	0	0	0	0	0

Ag #	Aid Program	Type	Per 2025 Session		Per 2026 Session			
			Enacted FY2025-26	Enacted FY2026-27	Adj FY2025-26	Adj FY2026-27	Adj Total FY2025-26	Adj Total FY2026-27
#72	Mentorship Program	Ind/Other	4,880,762	4,880,762	0	(2,000,000)	4,880,762	2,880,762
#72	Youth Talent Initiative	Ind/Other	0	0	0	0	0	0
#72	Business Innovation Act	Ind/Other	11,020,352	11,020,352	0	(11,020,352)	11,020,352	0
#72	Small Business Assistance	Ind/Other	0	0	0	0	0	0
#78	Juvenile services grants	Local	564,300	564,300	(564,300)	(564,300)	0	0
#78	Community Based Juvenile Services, Grants	Local	0	0	5,862,300	5,613,000	5,862,300	5,613,000
#78	Community Based Juvenile Services aid	Local	5,798,000	5,798,000	(5,798,000)	(5,798,000)	0	0
#78	Victim Witness assistance	Ind/Other	50,457	50,457	(50,457)	(50,457)	0	0
#78	Crime Victims reparations	Ind/Other	19,200	19,200	(19,200)	(19,200)	0	0
#78	Violence Prevention Grants	Ind/Other	591,160	591,160	(591,160)	(591,160)	0	0
#78	Violence Prevention, Victim Assistance, Reparations	Ind/Other	0	0	69,657	660,817	69,657	660,817
#81	Blind rehabilitation	Ind/Other	381,871	381,871	0	0	381,871	381,871
#83	Community Colleges	Local	119,116,711	119,116,711	0	(5,000,000)	119,116,711	114,116,711
STATE TOTAL			3,341,611,730	3,351,703,041	(18,030,873)	(154,352,719)	3,323,580,587	3,197,350,322

Historical General Fund Appropriations

While the previous sections provide an overview of the FY2025-26 and FY2026-27 General Fund biennial budget, the following table shows appropriations from FY2005-06 through the proposed budget for FY2026-27 by major area. Average annual spending growth over the 20-year period from FY2006-07 is 2.6%.

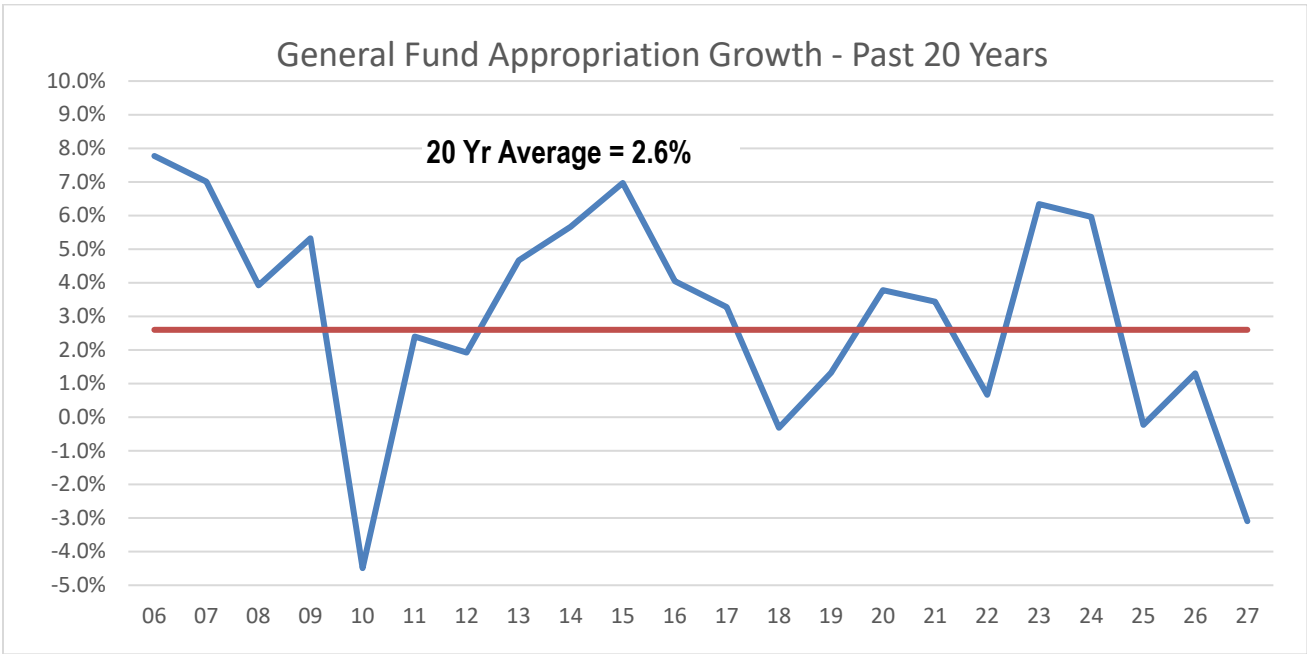
Note: appropriations in fiscal years ending in even numbers, i.e. FY2025-26, do not include midbiennium adjustments in the totals or growth rate calculations.

Table 30 Historical General Fund Appropriations (Excluding Deficits) Since FY2005-06

	Agency Operations	Aid to Ind/Other	Aid to Local Govt	Construction	Total Appropriations	% Change	2 Yr Ave %
FY2005-06 Approp	1,079,894,592	850,904,771	1,018,289,225	23,350,481	2,972,439,069	7.8%	--
FY2006-07 Approp	1,151,463,639	938,524,594	1,058,983,563	31,878,981	3,180,850,777	7.0%	7.4%
FY2007-08 Approp	1,172,764,317	978,026,675	1,146,759,149	8,150,822	3,305,700,963	3.9%	--
FY2008-09 Approp	1,221,557,978	1,015,815,632	1,236,048,810	8,238,322	3,481,660,742	5.3%	4.6%
FY2009-10 Approp	1,210,527,988	880,256,943	1,220,339,540	14,172,233	3,325,296,704	-4.5%	--
FY2010-11 Approp	1,253,663,584	946,598,966	1,191,036,509	13,802,233	3,405,101,292	2.4%	-1.1%
FY2011-12 Approp	1,225,276,661	1,057,283,733	1,173,944,302	14,027,233	3,470,531,929	1.9%	--
FY2012-13 Approp	1,259,610,962	1,135,669,688	1,216,370,872	20,772,233	3,632,423,755	4.7%	3.3%
FY2013-14 Approp	1,315,231,996	1,212,891,823	1,284,215,064	25,830,024	3,838,168,907	5.7%	--
FY2014-15 Approp	1,429,479,091	1,304,901,886	1,345,007,109	26,437,444	4,105,825,530	7.0%	6.3%
FY2015-16 Approp	1,521,595,794	1,348,844,879	1,374,980,396	26,382,800	4,271,803,869	4.0%	--
FY2016-17 Approp	1,580,659,703	1,398,520,670	1,410,271,464	22,239,000	4,411,690,837	3.3%	3.7%
FY2017-18 Approp	1,570,199,266	1,378,600,757	1,427,473,593	21,739,000	4,398,012,616	-0.3%	--
FY2018-19 Approp	1,583,458,863	1,415,580,493	1,435,505,259	21,739,000	4,456,283,615	1.3%	0.5%
FY2019-20 Approp	1,639,165,838	1,437,130,930	1,510,109,279	38,265,811	4,624,671,858	3.8%	--
FY2020-21 Approp	1,699,786,897	1,490,875,709	1,554,478,631	38,625,661	4,783,766,898	3.4%	3.6%
FY2021-22 Approp	1,742,597,825	1,525,934,190	1,505,445,122	41,526,176	4,815,503,313	0.7%	--
FY2022-23 Approp	1,873,192,160	1,662,204,737	1,561,708,727	23,921,610	5,121,027,234	6.3%	3.5%
FY2023-24 Approp	2,057,867,814	1,805,816,632	1,541,173,376	21,303,928	5,426,161,750	6.0%	--
FY2024-25 Approp	2,128,670,186	1,707,748,853	1,556,005,014	21,303,928	5,413,727,981	-0.2%	2.8%
FY2025-26 Approp	2,121,386,286	1,747,568,578	1,594,043,152	21,553,928	5,484,551,944	1.3%	--
FY2026-27 Approp	2,095,968,349	1,638,223,743	1,559,126,579	21,303,928	5,314,622,599	-3.1%	-0.9%
Average Annual Growth							
FY26 / FY27 Biennium	-0.8%	-2.1%	0.1%	0.0%	-0.9%		
Avg FY07 to FY17 (10 yr)	3.2%	4.1%	2.9%	-3.5%	3.3%		
Avg FY17 to FY27 (10 yr)	2.9%	1.6%	1.0%	-0.4%	1.9%		
Avg F07 to FY27 (20 yr)	3.0%	2.8%	2.0%	-2.0%	2.6%		

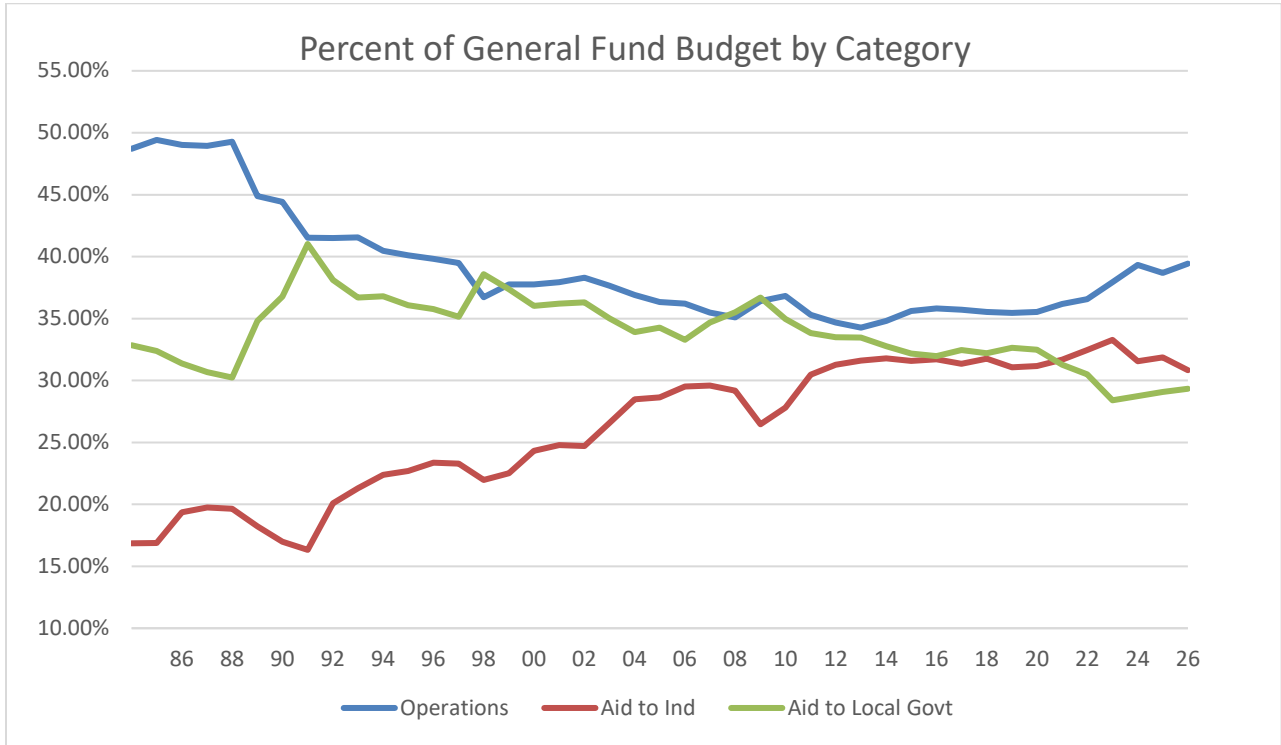
Table 31 Breakdown of General Fund Appropriations – Last 20 Years

	w/o Deficits FY2006-07	w/o Deficits FY2016-17	Adj Total FY2026-27	20 Yr Avg to FY27
<u>Agency Operations</u>				
University & State /Colleges	495,353,972	635,472,980	772,025,639	2.2%
Health & Human Services	198,454,979	236,540,656	358,525,250	3.0%
Correctional Services	136,796,113	204,158,501	362,994,058	5.0%
Courts	62,225,402	179,806,832	238,420,533	6.9%
State Patrol	48,010,563	60,113,441	88,804,399	3.1%
Retirement Board	32,203,573	47,303,239	20,998,604	-2.1%
Revenue	27,288,745	27,551,068	5,247,581	-7.9%
Other Agencies	151,130,292	189,712,986	248,952,285	2.5%
Total-GF Operations	1,151,463,639	1,580,659,703	2,095,968,349	3.0%
<u>State Aid to Individuals/Others</u>				
Medicaid	558,888,505	850,259,344	843,532,322	2.1%
Child Welfare Aid	138,805,226	160,193,618	165,780,369	0.9%
Developmental disabilities aid	64,415,818	150,667,981	386,750,736	9.4%
Public Assistance	93,083,391	108,094,067	75,017,628	-1.1%
Behavioral Health aid	44,577,915	73,844,769	60,182,211	1.5%
Children's Health Insurance (SCHIP)	10,842,937	6,440,394	29,989,393	5.2%
Business Innovation Act	0	6,760,000	0	na
Aging Programs	6,042,213	10,449,701	11,722,579	3.4%
Public Health Aid	2,675,000	5,783,060	7,083,060	5.0%
Nebraska Career Scholarships	0	0	20,580,000	na
Higher Ed Student Aid programs	5,766,815	7,853,156	8,443,430	1.9%
Health Aid	3,964,166	6,917,612	6,401,696	2.4%
All Other Aid to Individuals/Other	9,962,608	11,256,968	22,740,319	4.2%
Total-GF Aid to Individuals/Other	939,024,594	1,398,520,670	1,638,223,743	2.8%
<u>State Aid to Local Govts</u>				
State Aid to Schools (TEEOSA)	701,346,228	952,153,581	994,035,905	1.8%
Special Education - General Fund	174,280,179	222,063,117	235,724,424	1.5%
Aid to Community Colleges	68,566,476	100,828,308	114,116,711	2.6%
Homestead Exemption	56,473,000	72,515,000	173,200,000	5.8%
Aid to ESU's	11,546,488	14,051,761	13,349,488	0.7%
High ability learner programs	2,336,921	2,342,962	2,342,962	0.0%
Early Childhood programs	3,680,471	8,770,164	11,119,357	5.7%
Community Based Juvenile Services	1,492,500	6,300,000	5,613,000	6.8%
Governors Emergency Program	1,000,000	250,000	5,000,000	8.4%
Other Aid to Local Govt	14,039,873	8,256,246	4,624,732	-5.4%
Total-GF Aid to Local Govt	1,058,483,563	1,410,271,464	1,559,126,579	2.0%
<u>Capital Construction</u>	31,878,981	22,239,000	21,303,928	-2.0%
TOTAL-MAINLINE BUDGET	3,180,850,777	4,411,690,837	5,314,622,599	2.6%



Since FY1983-84, the distribution of appropriations by category has changed considerably. Agency operations previously constituted a much higher percentage of total General Fund appropriations, peaking at 49.4% of the total in FY1985-86, and generally declined through FY2019-20. State aid to individuals, on the other hand, has increased steadily over time as programs and obligations under existing programs have changed.

State aid to local governments has decreased somewhat in terms of General Fund appropriations, but this does not account for large increases in transfers of funds out of the General Fund to cash funds for state aid to local governments through programs including the Property Tax Credit Cash Fund, the School Property Tax Relief Fund, the Education Future Fund, and the Community College Future Fund.



Total Obligations - General Fund Appropriations and Transfers

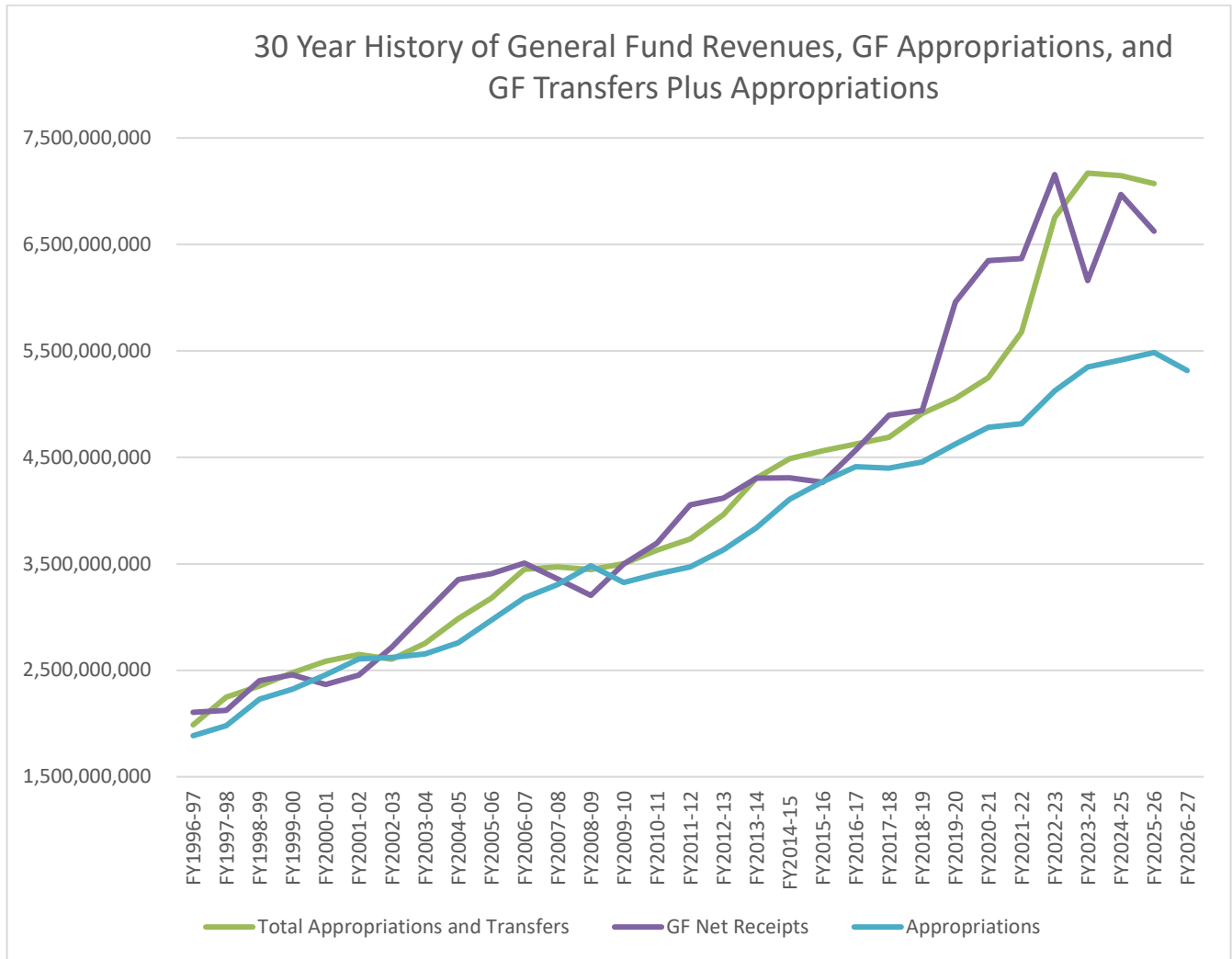
The following table shows the General Fund appropriations totals by fiscal year, as also shown in Table 30, but also includes transfers out of the General Fund and transfers from the Cash Reserve Fund to other funds. By including the transfers as well, the table reflects total state funds from the General Fund or Cash Reserve Fund utilized each year.

When combined, the 20-year average annual growth in total appropriations and transfers (from the General Fund and Cash Reserve Fund) is 4.1%, as compared to 2.6% for General Fund appropriations only.

Table 32 Historical General Fund Appropriations and Transfers from the General Fund and Cash Reserve Fund Since FY2005-06

FY	Total GF		GF Transfers	Approp w/Def	%	CRF to	Total Approp	%	2 Yr
	Appropriations	With Deficits	Out to Cash	GF Transfers	Change	Other Funds	& Transfers	Change	Ave
FY05-06	2,972,439,069	2,974,841,303	9,140,000	2,983,981,303	8.40%	165,266,227	3,149,247,530	14.30%	--
FY06-07	3,180,850,777	3,169,266,338	9,140,000	3,178,406,338	6.50%	1,784,416	3,180,190,754	1.00%	7.40%
FY07-08	3,305,700,963	3,320,250,627	128,730,000	3,448,980,627	8.50%	101,801,000	3,550,781,627	11.70%	--
FY08-09	3,481,660,742	3,350,960,291	120,200,000	3,471,160,291	0.60%	29,340,000	3,500,500,291	-1.40%	4.90%
FY09-10	3,325,296,704	3,319,795,000	126,050,000	3,445,845,000	-0.70%	5,990,237	3,451,835,237	-1.40%	--
FY10-11	3,405,101,292	3,379,601,180	120,725,000	3,500,326,180	1.60%	0	3,500,326,180	1.40%	0.00%
FY11-12	3,470,531,929	3,486,349,761	140,800,000	3,627,149,761	3.60%	-3,560,802	3,623,588,959	3.50%	--
FY12-13	3,632,423,755	3,618,765,199	114,700,000	3,733,465,199	2.90%	76,008,427	3,809,473,626	5.10%	4.30%
FY13-14	3,838,168,907	3,841,239,521	121,300,000	3,962,539,521	6.10%	-251,294	3,962,288,227	4.00%	--
FY14-15	4,105,825,530	4,117,050,749	188,350,000	4,305,400,749	8.70%	20,250,000	4,325,650,749	9.20%	6.60%
FY15-16	4,271,803,869	4,265,177,587	222,400,000	4,487,577,587	4.20%	81,779,850	4,569,357,437	5.60%	--
FY16-17	4,411,690,837	4,344,748,411	217,100,000	4,561,848,411	1.70%	50,000,000	4,611,848,411	0.90%	3.30%
FY17-18	4,398,012,616	4,390,295,290	233,470,000	4,623,765,290	1.40%	115,930,772	4,739,696,062	2.80%	--
FY18-19	4,456,283,615	4,458,841,231	230,300,000	4,689,141,231	1.40%	20,436,714	4,709,577,945	-0.60%	1.10%
FY19-20	4,624,671,858	4,624,671,858	286,800,000	4,911,471,858	4.70%	83,619,600	4,995,091,458	6.10%	--
FY20-21	4,783,766,898	4,742,251,416	310,600,000	5,052,851,416	2.90%	-60,000,972	4,992,850,444	0.00%	3.00%
FY21-22	4,815,503,313	4,809,256,009	440,830,000	5,250,086,009	3.90%	124,700,000	5,374,786,009	7.60%	--
FY22-23	5,125,672,253	5,157,806,991	518,053,459	5,675,860,450	8.10%	617,670,000	6,293,530,450	17.10%	12.30%
FY23-24	5,349,434,418	5,354,643,703	1,399,760,000	6,754,403,703	19.00%	1,168,017,580	7,922,421,283	25.90%	--
FY24-25	5,413,727,981	5,474,684,431	1,694,747,425	7,169,431,856	6.10%	70,483,800	7,239,915,656	-8.60%	7.30%
FY25-26	5,484,551,944	5,428,345,624	1,716,356,476	7,144,702,100	-0.30%	47,547,000	7,192,249,100	-0.70%	--
FY26-27	5,314,622,599	5,314,622,599	1,755,653,800	7,070,276,399	-1.00%	-500,000	7,069,776,399	-1.70%	-1.20%

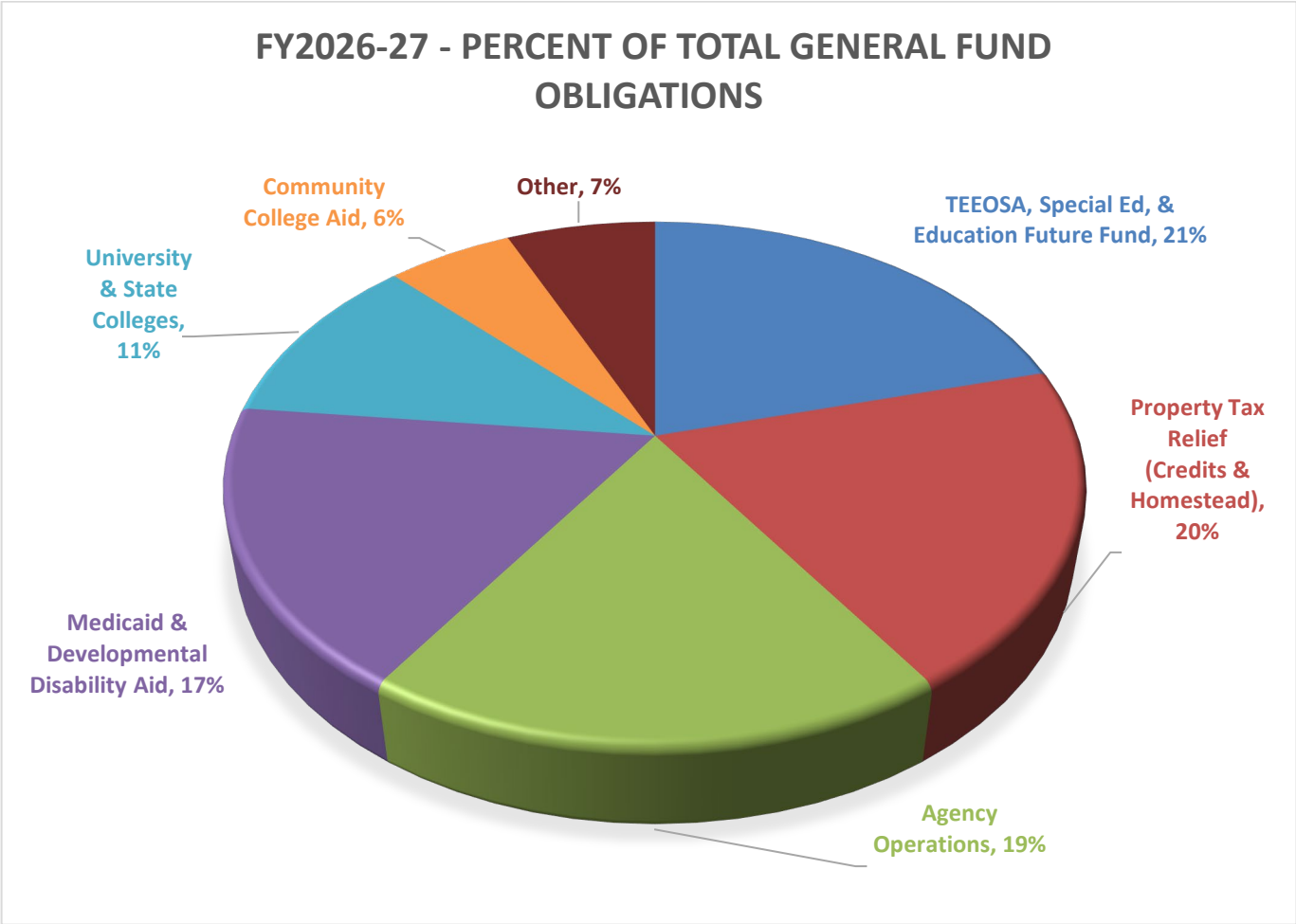
The following chart displays the impact of transfers out of the General Fund. The blue line shows General Fund appropriations and the purple line shows General Fund net receipts. The green line shows General Fund appropriations and transfers from the General Fund to cash funds to show total obligations of the General Fund (the data for the green line does not include transfers from the Cash Reserve Fund to other funds). The chart shows that, other than during short periods of budget deficit, the purple “net receipts” line exceeds the green “appropriations plus transfers out” line. FY2023-24 through FY2026-27 is one of those time periods in which the total appropriations plus transfers out of the General Fund (total General Fund obligations) exceed net receipts.



The following chart displays the obligations of the General Fund by major category, when appropriations are combined with transfers out to cash funds. For purposes of illustration, some areas are combined into functional area, e.g. Property Tax Relief includes appropriations for the homestead exemption as well as transfers out of the General Fund for the Property Tax Credit Cash Fund and School Property Tax Relief Fund. The total amount of General Fund appropriations plus transfers out to cash funds in FY2026-27 is \$7,070,276,399.

Table 33 Obligations of General Fund Monies by Functional Area

Program	Amount	% of Total GF
TEEOSA, Special Education, & Education Future Fund	1,471,760,329	21%
Property Tax Relief (Credits & Homestead)	1,401,200,000	20%
Agency Operations	1,323,942,710	19%
Medicaid & Developmental Disability Aid	1,230,283,058	17%
University & State Colleges	772,025,639	11%
Community College Aid	399,135,511	6%
Other	471,929,152	7%



CASH FUND APPROPRIATIONS

Total Cash Fund appropriations increased \$422.2 million in FY2025-26 and \$516.1 million in FY2026-27, as compared to the FY2024-25 base appropriation. Two-year average annual cash fund appropriation growth is 4.5%. Of the 78 state agencies, 73 are appropriated cash funds in the enacted budget. In light of the General Fund deficit in the 2026 session, General Fund appropriations were reduced in many agencies, and a corresponding cash fund appropriation increase was included to continue operations and programs.

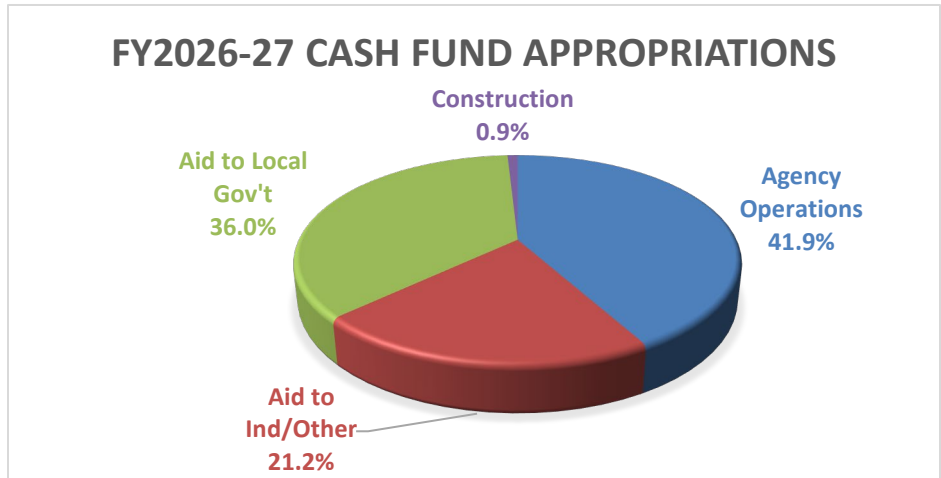


Table 34 Ranking of Agencies: Total Cash Funds Appropriations

CASH FUNDS	FY2021-22	FY2022-23	FY2023-24	FY2024-25	FY2025-26	FY2026-27	FY27 Rank	% of Total
Transportation	1,070,412,877	1,069,034,923	1,271,879,255	1,290,638,524	1,362,569,431	1,366,070,306	1	22.3%
Revenue	332,089,230	346,335,481	408,189,709	1,196,643,126	1,314,605,255	1,363,274,810	2	22.3%
DHHS	162,867,143	180,179,625	311,730,988	904,361,292	1,038,013,623	1,104,510,366	3	18.0%
University of Nebraska	469,127,134	488,150,106	488,150,106	520,587,275	520,587,275	520,587,275	4	8.5%
Education	61,365,519	14,521,068	377,425,427	354,750,211	441,995,222	441,647,170	5	7.2%
Community Colleges	0	0	0	246,499,886	271,446,476	285,018,800	6	4.7%
Economic Development	75,874,680	258,920,652	327,248,937	240,775,393	159,639,626	139,351,242	7	2.3%
Game and Parks	92,648,248	103,817,448	103,952,274	111,859,082	126,658,817	126,766,440	8	2.1%
Water, Energy, Env.	455,873	455,873	53,245,866	43,186,124	127,318,114	120,578,981	9	2.0%
Public Service Comm	91,256,392	92,020,931	113,025,431	113,921,435	112,792,203	113,674,149	10	1.9%
All Other	539,260,396	887,298,492	747,691,880	744,302,710	797,089,112	779,326,663		12.7%
Total - Cash Funds	2,803,645,227	3,348,257,795	4,036,268,576	5,610,417,499	6,032,604,837	6,126,553,072		100.0%
\$ Change	226,192,064	544,612,568	688,010,781	1,574,148,923	422,187,338	93,948,235		
% Change	8.8%	19.4%	20.5%	39.0%	7.5%	1.6%		

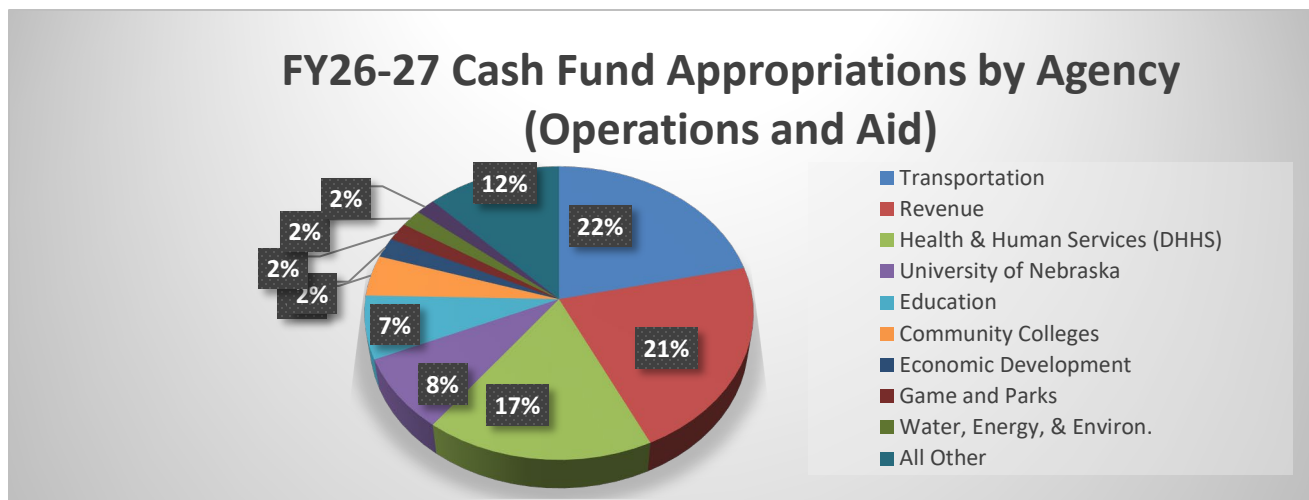


Table 35 Enacted Budget - Cash Funds

	W/o deficits FY2024-25	Per 2025 Session		Per 2026 Session		Per 2026 Session	
		Enacted FY2025-26	Enacted FY2026-27	FY2025-26	FY2026-27	Adj Total FY2025-26	Adj Total FY2026-27
<u>Agency Operations</u>							
Transportation	1,244,937,319	1,296,868,226	1,308,369,101	0	0	1,296,868,226	1,308,369,101
University & State Colleges	567,645,804	567,645,804	567,645,804	0	0	567,645,804	567,645,804
Game and Parks	83,148,082	96,571,875	98,025,495	1,275,942	679,945	97,847,817	98,705,440
Water, Energy, & Environment	21,975,961	92,178,087	90,079,047	0	532,271	92,178,087	90,611,318
Health & Human Services	75,338,673	76,200,291	76,841,186	1,358,565	(862,873)	77,558,856	75,978,313
DMV	42,362,711	58,653,451	47,559,318	0	521,520	58,653,451	48,080,838
Revenue	32,493,126	33,581,534	34,282,454	13,423,721	28,892,356	47,005,255	63,174,810
State Patrol	29,350,202	31,801,017	31,512,025	381,527	467,027	32,182,544	31,979,052
Other Agencies	233,600,081	257,574,059	256,092,587	17,304,490	24,128,789	274,878,549	280,221,376
Total-CF Operations	2,400,753,231	2,511,074,344	2,510,407,017	33,744,245	54,359,035	2,544,818,589	2,564,766,052
<u>State Aid to Individuals/Others</u>							
Hospital Assessment (Medicaid/CHIP)	632,500,000	632,500,000	632,500,000	36,000,000	36,000,000	668,500,000	668,500,000
Medicaid	95,280,910	168,149,875	217,569,950	(450,000)	958,364	167,699,875	218,528,314
Universal Service Fund	84,000,000	84,000,000	84,000,000	0	0	84,000,000	84,000,000
Transformational Projects	0	50,000,000	50,000,000	0	0	50,000,000	50,000,000
Economic Recovery Act	147,448,770	27,448,770	27,448,770	0	0	27,448,770	27,448,770
Health aid	20,525,817	20,325,817	20,325,817	0	8,000	20,325,817	20,333,817
NE Opportunity Grant	16,354,872	17,854,872	17,854,872	260,000	0	18,114,872	17,854,872
Biomedical Research	15,000,000	15,000,000	15,000,000	(1,150,000)	(5,000,000)	13,850,000	10,000,000
Develpmental Disabilities Aid	12,367,913	23,367,913	23,367,913	0	900,000	23,367,913	24,267,913
Housing	5,023,140	19,726,860	5,023,140	0	0	19,726,860	5,023,140
Opioid Recovery Aid	11,840,351	11,840,351	11,840,351	0	0	11,840,351	11,840,351
Behavioral Health Aid	11,579,500	12,079,500	11,579,500	300,000	870,000	12,379,500	12,449,500
Childrens' Health Insurance (CHIP)	7,085,700	15,859,883	21,852,339	0	0	15,859,883	21,852,339
Workforce Development	10,000,000	9,883,387	9,880,259	0	4,000,000	9,883,387	13,880,259
Public Health Aid	9,230,000	9,339,000	9,730,000	(650,000)	(150,000)	8,689,000	9,580,000
Enhanced 911	8,500,000	8,500,000	8,500,000	0	0	8,500,000	8,500,000
Industrial Recruitment Aid (DED)	11,839,197	6,339,197	6,339,197	0	2,000,000	6,339,197	8,339,197
All Other Aid to Individuals/Other	80,152,155	89,681,502	56,236,502	(2,333,840)	30,596,391	87,347,662	86,832,893
Total-CF Aid to Individuals/Other	1,178,728,325	1,221,896,927	1,229,048,610	31,976,160	70,182,755	1,253,873,087	1,299,231,365
<u>State Aid to Local Govts</u>							
School Property Tax Credit	750,000,000	780,000,000	808,000,000	18,000,000	0	798,000,000	808,000,000
Property Tax Credit	413,000,000	464,000,000	490,000,000	3,700,000	0	467,700,000	490,000,000
Community College Future Fund	246,499,886	265,988,849	279,288,291	5,457,627	5,730,509	271,446,476	285,018,800
Special Education - Ed Future Fund	206,007,489	291,390,830	309,839,863	0	(18,449,033)	291,390,830	291,390,830
Foundation Aid to Schools (TEEOSA)	113,145,292	112,977,519	113,571,200	0	(1,374,327)	112,977,519	112,196,873
Public Airports	39,348,300	59,348,300	51,348,300	0	0	59,348,300	51,348,300
Environmental Trust	25,750,000	25,750,000	25,750,000	0	0	25,750,000	25,750,000
Inland Port Authority	30,000,000	25,000,000	25,000,000	0	0	25,000,000	25,000,000
Gaming Tax to Cities/Counties	0	20,000,000	20,000,000	0	0	20,000,000	20,000,000
Environmental Quality Grants	18,645,601	18,645,601	18,645,601	0	0	18,645,601	18,645,601
Water Sustainability Fund	10,865,033	0	0	5,172,364	0	5,172,364	0
Education Innovation	10,807,362	10,807,362	10,807,362	0	0	10,807,362	10,807,362
Mutual Finance Assistance	8,060,000	8,060,000	8,060,000	0	0	8,060,000	8,060,000
Soil/Water Conservation*	7,450,000	7,450,000	7,450,000	0	0	7,450,000	7,450,000
Local Transit	6,312,705	6,312,705	6,312,705	0	0	6,312,705	6,312,705
Civic/Comm Finaning Fund	5,397,775	5,397,775	5,397,775	0	0	5,397,775	5,397,775
Teacher Recruitment/Retention	5,000,000	5,000,000	5,000,000	0	0	5,000,000	5,000,000
Convention Center Fac Financing Act	4,100,000	7,100,000	7,100,000	0	0	7,100,000	7,100,000
Career and Technical Education	4,959,040	4,959,040	4,959,040	0	0	4,959,040	4,959,040
Sports Arena Fac Financing Act	2,200,000	4,500,000	4,500,000	0	0	4,500,000	4,500,000
Other Aid to Local Govt	36,533,530	16,627,260	16,102,260	4,400,000	5,251,180	21,027,260	21,353,440
Total-CF Aid to Local Govt	1,944,082,013	2,139,315,241	2,217,132,397	36,729,991	(8,841,671)	2,176,045,232	2,208,290,726
<u>Capital Construction</u>							
	86,673,930	55,187,930	56,584,930	2,500,000	(2,500,000)	57,687,930	54,084,930
TOTAL-MAINLINE BUDGET	5,610,237,499	5,927,474,442	6,013,172,954	104,950,396	113,200,119	6,032,424,838	6,126,373,073

2026 A Bills – Cash Funds

Table 36 2026 A Bills – Cash Funds Only

Bill	One-Liner	Ag #	Ag #	FY 2025-26	FY 2026-27
LB 304	Change child care subsidy eligibility	25	Health & Human Services	0	3,157,170
LB 815	Change taxes on fuels	16	Revenue	0	137,300
LB 820	Change retirement provisions	85	Retirement Board	0	15,000
LB 912	Change health care provisions	25	Health & Human Services	0	40,000
LB 966	Adopt the Hunger-Free Schools Act	13	Education	0	1,151,180
LB 972	Change license plate provisions	24	Motor Vehicles	0	521,520
LB 972	Change license plate provisions	25	Health & Human Services	0	900,000
LB 972	Change license plate provisions	31	Military	0	13,500
LB 972	Change license plate provisions	64	State Patrol	0	500
LB 1001	Change gaming provisions	16	Revenue	0	(3,217,273)
LB 1001	Change gaming provisions	36	Racing & Gaming	0	3,217,273
LB 1075	Change election provisions	87	Accountability & Disclosure	12,000	25,000
LB 1126	Change transportation provisions	14	Public Service Commission	0	675,000
LB 1165	Change tax incentive provisions	72	Economic Development	0	2,000,000
LB 1209	Combined bill for LB 847, 867, 901, 1101, and 1235	16	Revenue	0	3,330,920
LB 1209	Combined bill for LB 847, 867, 901, 1101, and 1235	23	Labor	0	7,500,000
LB 1209	Combined bill for LB 847, 867, 901, 1101, and 1235	25	Health & Human Services	0	470,000
LB 1209	Combined bill for LB 847, 867, 901, 1101, and 1235	35	Liquor Control Comm	0	300,000
LB 1209	Combined bill for LB 847, 867, 901, 1101, and 1235	64	State Patrol	0	85,500
LB 1209	Combined bill for LB 847, 867, 901, 1101, and 1235	72	Economic Development	0	15,000,000
LB 1209	Combined bill for LB 847, 867, 901, 1101, and 1235	84	Water, Energy, & Environment	0	532,271
LB 1209	Combined bill for LB 847, 867, 901, 1101, and 1235	85	Retirement Board	0	7,500
LB 1236	Change Legislative publication requirements	3	Legislature	0	25,000
LB 1261	Prohibit eminent domain for certain electric facilities	74	Power Review Board	0	4,750
TOTALS				12,000	35,892,111

2026 Cash Fund Transfers to Other Cash Funds

In addition to cash fund appropriation changes, the transfers of monies from one fund to another fund are included in the 2026 midbiennium adjustments, many of which are to fund certain appropriation items.

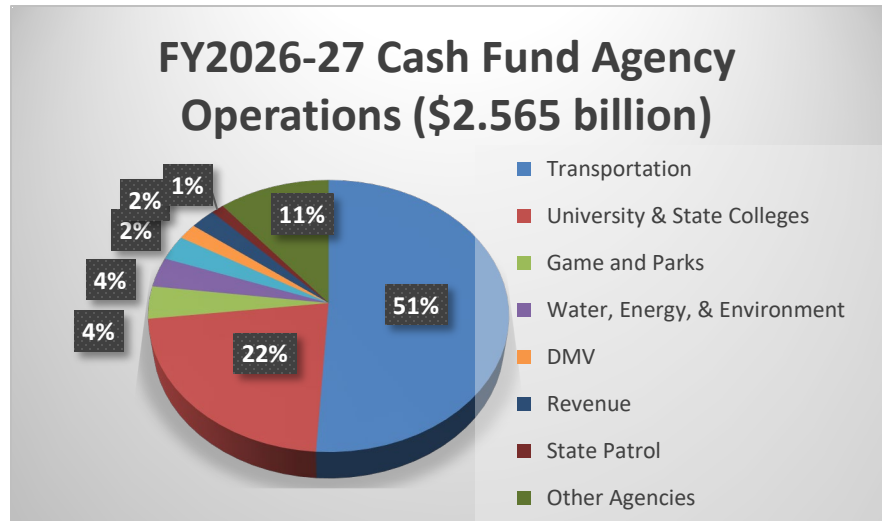
Table 37 New Fund Transfers to Cash Funds (FY2025-26 and FY2026-27) – 2026 Session

Ag #	From Fund	To Fund	FY2025-26	FY2026-27
13	Certification Fund	Education Future Fund	700,000	0
13	Nebraska Education Improvement Fund	Education Future Fund	0	500,000
16	State Lottery Operation Trust Fund	Education Future Fund	4,694,064	Interest
16	State Lottery Prize Trust Fund	Education Future Fund	70,000	Interest
16	State Lottery Operations Cash Fund	Education Future Fund	0	Interest
16	Tobacco Products Administration Fund	Dept of Revenue Enforcement	11,500,000	12,500,000
25	Nebraska Opioid Recovery Trust Fund	Probation Program Cash Fund	6,500,000	6,500,000
28	Veterans' Aid Fund	Dept of Veterans' Affairs Cash	1,500,000	1,500,000
32	Land Exchanges Fund	Education Future Fund	2,000,000	0
32	Ag & Univ Land Lease Fund	Education Future Fund	2,500,000	0
32	Permanent School Fund	Education Future Fund	40,000,000	0
33	Nebraska Environmental Trust Fund	Water Resources Cash Fund	0	6,000,000
33	Nebraska Environmental Trust Fund	Water Recreation Enhancement	7,522,461	0
36	Self-Exclusion Fund	Compulsive Gamblers' Assistance	Remaining balance	0
48	Davis Scholarship Fund	NE Opportunity Grant Fund	260,000	0
48	Excellence in Teaching	Education Future Fund	0	1,000,000
48	Gap Assistance	Education Future Fund	0	2,000,000
54	NE State Historical Society Collections Trust	Historical Society Fund	174,975	0
72	Rural Workforce Housing Investment Fund	Affordable Housing Trust	Remaining balance	0
72	Middle Income Workforce Housing Investment	Affordable Housing Trust	Remaining balance	0
72	Panhandle Improvement Fund	Animal Damage Control Fund	0	Remaining balance
81	NCBVI Fund	Commission Trust Fund	Remaining balance	0
84	Perkins County Canal Fund	State Settlement Cash Fund	0	300,000

Cash Fund Agency Operations

This area accounts for the costs of operating state agencies. Although nearly all state agencies (73 of 78) receive Cash Fund appropriations, higher education (University of Nebraska and State Colleges), and the largest cash-funded agencies (Transportation, Game and Parks Commission, Health and Human Services, Motor Vehicles, State Patrol, and Water, Energy, and Environment) account for 87% of operations.

Cash Fund appropriations for agency operations increase by \$144.1 million in FY2025-26 and \$164.0 million in FY2026-27, as compared to the base year FY2024-25. Two-year average annual growth is 3.4% per year.



Supreme Court

The 2026 midbiennium budget adjustments include funding in the amount of \$6.5 million per year in cash funds is authorized for costs of problem-solving courts. The funds are transferred from the Nebraska Opioid Recovery Trust Fund to the Probation Program Cash Fund in each fiscal year.

Secretary of State

Funding in the amount of \$1,000,000 in FY2025-26 and \$400,000 (Cash Funds) in FY2026-27 is included to complete the Secretary of State's Business Filing System replacement. The project was funded in the current biennium and is currently underway but project delays have occurred. Funding is needed in the upcoming biennium to complete this \$2.4 million system replacement.

Public Service Commission

The Cash Fund appropriation for the 211 Service program is eliminated, and the existing cash fund balance is transferred to the General Fund in FY2025-26.

Department of Labor

LB 847 (2026) amends several provisions related to the department, including:

- Establishes the Nebraska Office of Registered Apprenticeship as a State apprenticeship Agency within the department (NDOL), and allows more funds to be used for workforce development;
- Establishes uniform enforcement authority across multiple programs managed by NDOL;
- Transfers responsibility for awarding and disbursing grants under the Intern Nebraska workforce development program from the Department of Economic Development to NDOL;
- Creates the Business Innovation Cash Fund and creates the mechanism to provide funding for the Business Innovation Act;
- Renames the Contractor and Professional Employer Organization Registration Cash Fund and changes permitted uses of the fund; and
- Issues an annual filing fee under the Employment Security Law to fund the Fund.

As a result of the provisions of the bill, additional cash fund revenues are appropriated for agency operations and for workforce development aid.

Department of Motor Vehicles

Print on Demand License Plates and Temporary Tags

The enacted budget includes \$1,503,016 Cash Funds in FY2025-26 and \$622,450 Cash Funds in FY2026-27 from the DMV License Plate Cash Fund, to begin a phased-in implementation of a new Print on Demand and Temporary Tags system. These expenditures are split between Program 70 and Program 90.

Motor Carriers Modernization

The enacted budget includes an appropriation reduction of (\$2,866,430) in FY2025-26 and (\$2,938,555) in FY2026-27, as the motor carrier modernization project is expected to be under budget. The per ton registration fee, which had been temporarily increased to fund this project, has already been reduced in legislation as of July 1, 2024, after it became apparent the project would end up costing less than originally anticipated.

Driver License System Modernization

The enacted budget includes an increase of \$16,450,703 in Cash Funds in FY2025-26 and \$4,029,980 Cash Funds in FY2026-27 to move up the deployment of the previously mandated driver license system modernization from a mainframe system to a modern web-based system. Included is PSL for staffing the project of \$370,803 in FY2025-26 and \$381,927 in FY2026-27. Additionally, the enacted budget includes the following necessary actions to speed up the deployment:

- A reappropriation of up to \$8 million Cash Funds from FY2024-25 to FY2025-26 for Program 70 to pay contracts;
- A transfer of \$7.5 million in FY2025-26 and \$6 million in FY2026-27 from the DMV Cash Fund to the Operator's License Services System Replacement & Maintenance Cash Fund;
- Amending the DMV Cash Fund language to allow transfers to the Operator's License Services System Replacement & Maintenance Cash Fund; and
- A transfer of \$3 million in FY2025-26 and \$3 million in FY2026-27 from the Motor Carrier Services System Replacement & Maintenance Cash Fund to the DMV Cash Fund.

Nebraska Department of Transportation

State Match for Federal Highway Formula Funding - NDOT

The enacted budget utilizes revenue projections to set the anticipated total average fuel tax of 30.9¢ in FY26 and 31.2¢ in FY27. This results in the current best estimate of a Highway Cash Fund appropriation level of \$543.9 million Cash Funds in FY2025-26 and \$550.7 million Cash Funds in FY2026-27. The department's current estimate is that these Highway Cash Fund appropriation levels will result in a total fuel tax of 30.9¢ per gallon (2.5¢ variable tax + 12.1¢ wholesale tax + 7.5¢ state fixed tax + 6.8¢ local fixed tax + 2.0¢ TIB tax) in FY2025-26 and 31.2¢ per gallon (2.8¢ variable tax + 12.1¢ wholesale tax + 7.5¢ state fixed tax + 6.8¢ local fixed tax + 2.0¢ TIB tax) in FY2026-27. The current FY2024-25 Highway Cash Fund appropriation is \$502 million, with the average fuel tax in FY2024-25 being 30.0¢ per gallon. NDOT would receive approximately 20.0¢ per gallon of the fuel tax in FY2025-26, with cities and counties receiving the remaining 10.9¢ per gallon. The new FY2025-26 Highway Cash Fund appropriation level represents an 8.3% increase over FY2024-25, and the FY2026-27 appropriation would be a 1.25% increase over FY2025-26.

The Highway Cash Fund appropriation level determines the amount of highway user revenues (such as motor fuels tax, motor vehicle registration fees, sales tax on motor vehicles, and other smaller sources of revenue) which NDOT can use over the fiscal year. This appropriation is used to fund surface transportation in the state and also as the state match to federal funds. The incoming revenue stream is assessed twice a year to make potential adjustments to the variable tax rate portion of the motor fuels tax. Any adjustments made to the

variable tax rate is done to ensure that estimated revenues are sufficient to fund a range of between 99% - 102% of the Highway Cash Fund appropriation level, and may occur on January 1st or July 1st yearly.

State Match for Federal Highway Formula Funding

The enacted budget includes \$37.7 million in FY2025-26 and \$39.5 million in FY2026-27 for the 20% state match required to obligate additional federal Infrastructure Investment and Jobs Act (IIJA) funds. The current match equates to receiving \$4 in federal funds for every \$1 in state funding. This request would provide ongoing funding to fully match the IIJA formula funding, thereby supporting asset preservation, system modernization, and capital construction projects. Nebraska's FHWA formula funding (non-discretionary /competitive) increased by \$150.6 million in FY2025-26, over the FY2020-21 base of \$315 million. The 20% match required to obligate the additional federal funds is \$37.7 million in FY2025-26. NE's federal formula funding is expected to increase 5% for FY2026-27, requiring a state match of \$39.5 million (the expected baseline level beyond FY2025-26). Additionally, this state match will be used to establish a baseline of state match for FY2026-27 to be used in the next federal surface transportation reauthorization due in late 2026.

Transfer of Broadband Expenses

The enacted budget includes a transfer of the Nebraska Broadband Office's (NBO) expenditures from Program 568 – NDOT Administration to a new Program 562 – State Broadband Office, for better transparency of the operating, travel, and salary expenses of the NBO. The NBO was placed under the administrative and budgetary support of the NDOT in 2023.

Department of Veterans' Affairs

The 2026 midbiennium budget adjustments includes a transfer of \$1.5M from the Veterans' Aid Fund to the Department of Veterans' Affairs Cash Fund in FY2025-26 and FY2026-27 to be used for operating the Veterans' Homes, including the restructuring of the dementia unit in the Central Nebraska Veterans' Home.

Game and Parks Commission

Conservation Officers & Equipment

The enacted budget includes an appropriation increase of \$1,543,784 in Cash Funding with \$275,184 PSL in FY2025-26 and \$685,931 in Cash Funding with \$283,440 PSL in FY2026-27, for the addition of five new Conservation Officers to the underserved areas of the state. Included in this appropriation is operational and equipment funding to support five Conservation Officer positions approved in the previous budget cycle FY2023-25 as well as replacement of aging vehicles and boats used in the Wildlife Conservation program.

Removal of Distribution of Aid Earmark for Depredation

The enacted budget includes removing the earmark for wildlife crop depredation damage payments. Such payments would violate the U.S. Fish and Wildlife restrictions on eligible uses of the State Game Fund.

General Fund Shift to Cash Funds

The enacted budget includes a \$5 million General Fund shift to Cash Funds in FY2025-26 and a \$5 million General Fund shift to Cash Funds in FY2026-27. This reduction of \$5 million in General is being back-filled in the next biennium with two Cash Fund transfers in from the DED Economic Recovery Contingency Fund (ERCF) to the State Park Cash Revolving Fund. The ERCF funds were originally designated to be transferred to the Museum Construction Fund for a grant for the Standing Bear Museum, which was not included in the enacted budget. These transfers are in an amount equal to the reduction in General Funds in both FY2025-26 and FY2026-27.

Personnel Costs – Salary, Health Insurance, and Overtime Adjustments in 2026

The 2026 midbiennium budget adjustments include additional appropriation of \$861,739 Cash Funding in FY2025-26 and \$190,033 Cash Funding in FY2026-27 to cover the 18.5% additional increase in the employer share of health insurance premiums. The following programs will receive the additional funding as follows:

Prog. 330 Habitat Development:	\$122,899 CF in FY2025-26 & \$39,588 CF in FY2026-27
Prog. 336 Wildlife Conservation:	\$653,597 CF in FY2025-26 & \$150,445 CF in FY2026-27
Prog. 549 Parks Admin. & Operations:	\$69,466 CF in FY2025-26 only
Prog. 617 Engineering & Maintenance:	\$15,777 CF in FY2025-26 only

Included in the 2026 midbiennium budget adjustments is additional appropriation of \$339,203 in Cash Funding in FY2025-26 (including \$294,575 PSL) and \$553,018 in Cash Funding in FY2026-27 (including \$480,259 PSL) to fully fund the Law Enforcement Division step increases covered by the SLEBC bargaining contract. The step increases and “in-between” step advances to the next higher paid step, were not sufficiently covered in the previous session’s estimation for the current full staff, which includes five new Captains.

Due to the wildfires in western Nebraska in early 2026, additional funds of \$75,000 are appropriated in FY2025-26 for overtime expenses in two budget programs of the Commission.

Jobs and Economic Development Initiative (JEDI)

The enacted budget includes items related to the remaining JEDI Funds:

- Removal of \$5 million per year from the Cash Fund authority to reflect remaining projects; and
- An appropriation of \$2.5 million in FY2025-26 for flood reduction and mitigation projects on or near the Platte River in Eastern Nebraska.

Corn Development Marketing Board

The enacted budget includes approximately \$9.8 million increase cash fund spending authority per fiscal year.

Tourism Commission

The enacted budget includes an increase of \$1 million Cash Funds per fiscal year for the Tourism Commission to spend their cash fund balance to expand their marketing operations.

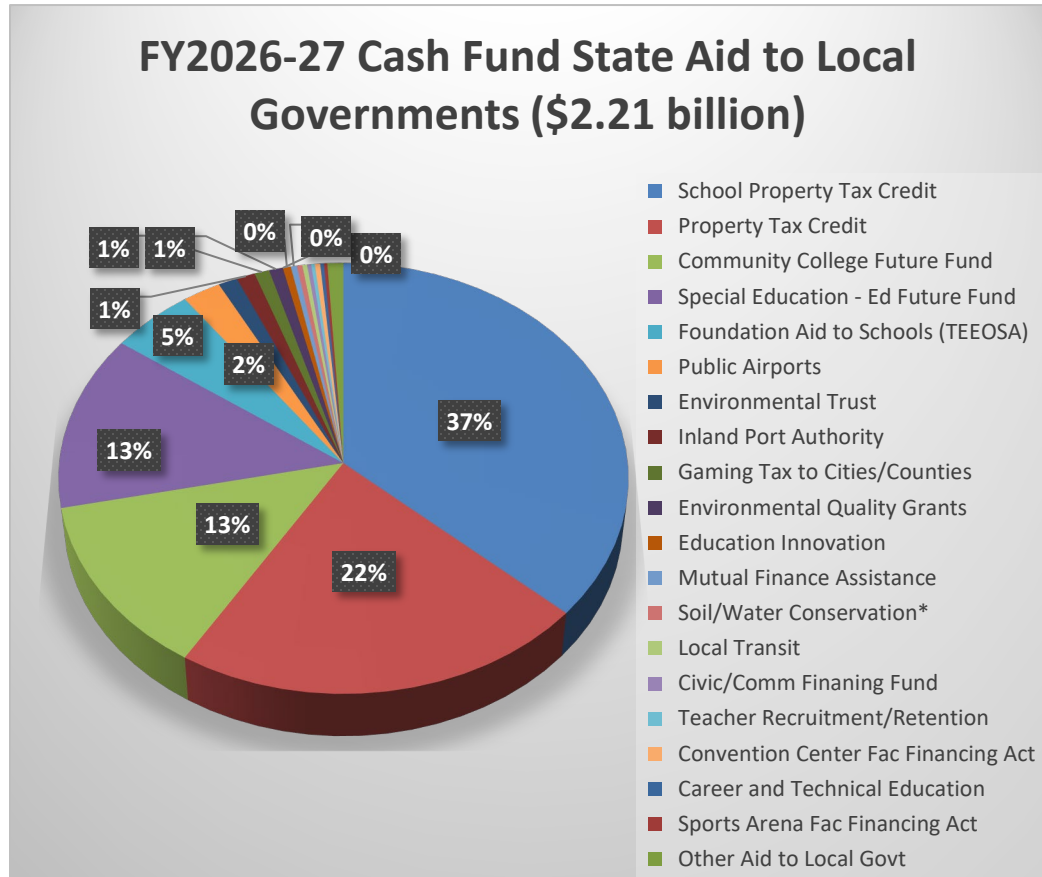
Commission of Public Advocacy

The 2026 budget adjustments include a \$77,500 Cash Fund increase in each fiscal year to fund expert witness and interpreter costs. This reflects a constitutionally required need to provide legal representation to indigent defendants. The Commission reports about ten cases requiring high-cost expert evaluations (\$10,000–\$25,000 each) and additional cases needing interpreters for clients and witnesses (\$3,000–\$5,000 per case).

Cash Fund State Aid to Local Governments

Aid to Local Governments accounts for aid payments to local governments that have the authority to levy a property tax such as cities, counties, K-12 schools, community colleges, and educational services units (ESU's).

Cash fund aid to local governments increases by \$232.0 million in FY2025-26 and \$264.2 million in FY2026-27, as compared to the base year FY2024-25. Two-year average annual cash fund appropriation growth is 6.6%. The largest increases relate to the School District Property Tax Credit, the Property Tax Credit, community college aid, and special education reimbursements to school districts.



School District Property Tax Relief Act

The enacted budget includes a \$30 million appropriation increase in FY2025-26 and \$58 million appropriation increase in FY2026-27 from the School District Property Tax Relief Credit Fund to equal the statutory amount of property tax credits of \$780 million from this Fund in FY2025-26 and \$808 million in FY2026-27. The program began in FY2024-25, with total aid equaling \$750 million.

The 2026 budget adjustments increase the appropriations from the School District Property Tax Relief Cash Fund by \$18 million in FY2025-26. This makes the total Cash Fund appropriation for this program \$798 million. This includes the minimum amount of \$780 million. The \$18 million increase in appropriations covers the Department of Revenue's certification amount, which included unused tax credits from homesteads already receiving property tax credits under the Homestead Program as well as any additional returned credits that are estimated to accrue to the fund yet in FY2025-26. The appropriation for this credit is also changed to an estimated appropriation.

Table 38 School Property Tax Relief Appropriations

Tax Year	Fiscal Yr	State Total	\$ Change	% Change
2024	FY2024-25	\$750,000,000	--	--
2025	FY2025-26 Approp.	\$798,000,000	48,000,000	6.40%
2026	FY2026-27 Approp.	\$808,000,000	10,000,000	1.25%

Property Tax Credit Cash Fund

The enacted budget increases the appropriation from the Property Tax Credit Cash Fund by \$17 million in FY2025-26 and \$32 million in FY2026-27 to match the statutory minimum property tax credit required of \$430 million in FY2025-26 and \$445 million in FY2026-27. Additionally, the enacted budget adds \$34 million in FY2025-26 and \$45 million in FY2026-27 in Cash Fund appropriations for the program to account for the additional casino gaming and cash device tax revenue credited to the fund. This creates a total Cash Fund appropriation for this program in FY2025-26 of \$464 million and \$490 million for FY2026-27.

The 2026 budget adjustments increase the appropriations from the Property Tax Credit Cash Fund by \$3.7 million in FY2025-26. This makes the total Cash Fund appropriation for this program \$467.7 million. This includes the minimum amount of \$430 million. The \$3.7 million increase in appropriations covers the Department of Revenue’s certification amount for the credit, as well as any additional returned credits from homesteads already receiving property tax credits under the Homestead Program that are estimated to accrue to the fund yet in FY2025-26. The appropriation for this credit is also changed to an estimated appropriation.

Table 39 Property Tax Credit History

Tax Year	Fiscal Yr	State Total	\$ Change	% Change
2007	FY2007-08	\$105,000,000	--	--
2008	FY2008-09	\$115,000,000	10,000,000	9.52%
2009	FY2009-10	\$115,000,000	0	0.00%
2010	FY2010-11	\$115,000,000	0	0.00%
2011	FY2011-12	\$115,000,000	0	0.00%
2012	FY2012-13	\$115,000,000	0	0.00%
2013	FY2013-14	\$115,000,000	0	0.00%
2014	FY2014-15	\$140,000,000	25,000,000	21.74%
2015	FY2015-16	\$204,000,000	64,000,000	45.71%
2016	FY2016-17	\$204,000,000	0	0.00%
2017	FY2017-18	\$224,000,000	20,000,000	9.80%
2018	FY2018-19	\$224,000,000	0	0.00%
2019	FY2019-20	\$275,000,000	51,000,000	22.77%
2020	FY2020-21	\$275,000,000	0	0.00%
2021	FY2021-22	\$300,000,000	25,000,000	9.09%
2022	FY2022-23	\$313,000,000	13,000,000	4.33%
2023	FY2023-24	\$364,365,285	51,365,285	16.41%
2024	FY2024-25	\$427,068,566	62,703,281	17.21%
2025	FY2025-26 Approp.	\$467,700,000	40,631,434	9.51%
2026	FY2026-27 Approp.	\$490,000,000	22,300,000	4.77%

Community College Future Fund Aid

The enacted budget increases Cash Fund appropriations based on an estimated growth of 5% per year in cash fund aid pursuant to the statutory formula. The total appropriation from the fund for community college aid is \$265.99 million in FY2025-26 and \$279.29 million in FY2026-27. The 5% per year increase in Community College Future Fund (CCFF) aid to reflect anticipated growth in required aid under the statutory formula. The increase in aid each year is 3.5% or the increase in reimbursable education units, whichever is greater. The aid in FY2024-25, the first year the CCFF aid formula was in place, was a 5% increase over the base calculation. Total appropriations to community colleges are discussed in more detail in the General Fund aid to local governments section. The budget includes \$5 million per year General Funds for aid to community colleges for dual enrollment as well.

For FY25-26, the certified amount exceeds the \$265,988,849 appropriation by \$5,457,627. The 2026 budget adjustments include this amount. An increase of \$5,730,509 has been added to the FY26-27 appropriation to account for an estimated 5% increase over the FY2025-26 amount.

Sports Arena Financing

The Cash Fund appropriation for Sports Arena Financing is increased by \$2.3 million per year, to \$4.5 million per year. This appropriation level more accurately reflects the actual amount of sales tax turned back to cities under the Act and certified by the Department of Revenue each year.

Convention Center Financing

The Cash Fund appropriation for Convention Center Financing is increased by \$3 million per year, to \$7.1 million per year. This appropriation level more accurately reflects the actual amount of sales tax turned back to cities under the Act and certified by the Department of Revenue each year.

Estimated Cash Funds to Track Gaming Tax Distributions to Local Governments

The enacted budget includes a \$20 million estimated state aid Cash Fund appropriation for FY2025-26 and FY2026-27, per request of state auditors, in order for the Racing and Gaming Commission to show the inflow and outflow of casino gaming taxes to local governments on Commission reports. The appropriation amount reflects only the amount distributed to political subdivisions, and not the amounts credited directly to other state funds. This appropriation is in a new program, Program 87-Casino Tax Revenue.

Cash Fund Appropriations for Cash Device Tax Distributions to Local Governments

The enacted budget includes a \$1.9 million state aid Cash Fund appropriation for FY2025-26 and \$2.1 million for FY2026-27 in order for the Department of Revenue to show the inflow and outflow of cash device taxes to local governments on Department reports. The appropriation amount reflects only the amount distributed to political subdivisions, and not the amounts credited directly to other state funds.

Nebraska Department of Transportation – Public Airports Federal Funding

The enacted budget includes \$20 million in FY2025-26 and \$12 million in FY2026-27 for the Aeronautics Division's management of grant funds administered by the Federal Aviation Administration (FAA) under the Airport Improvement Program. This is for anticipated additional pass-through funds from the FAA for improvements to Nebraska airports as a result of the passing of the Infrastructure Investment and Jobs Act (IIJA) in November 2021. These grants provide assistance to Nebraska airports for necessary improvements.

Special Education Reimbursements to School Districts

The enacted budget increases Cash Fund appropriations to meet the statutory requirement of reimbursing 80% of allowable special education costs. The budget does not include an increase in the General Fund appropriation for the reimbursements, but includes the following from the Education Future Fund (EFF):

- A deficit for FY2024-25 of \$67,558,187;
- A base adjustment equaling the deficit amount for FY2025-26 and FY2026-27; and
- An increase of \$17,825,154 in FY2025-26 and \$36,274,187 in FY2026-27 to account for 3.5% growth in total reimbursements.

Total special education allowable costs have increased by an average annual growth over the past five years of about 7% per year. Beginning in FY2023-24 due to enactment of LB 583 (2023), the state reimbursement level is required to be 80% of these allowable costs. In FY2024-25, 51% of total reimbursements (\$462,304,704) was paid from the General Fund. Due to an increase in allowable costs exceeding 10%, the FY2024-25

reimbursements totaled \$509,290,100. The enacted budget includes the deficit amount from the EFF, bringing the total General Fund share of reimbursements to 46.3%. Due to the cash balance in the EFF, an increase for FY2025-26 and FY2026-27 sufficient to increase total special education appropriations of 3.5% annual growth in reimbursements is included from cash funds. For a cash flow analysis of the EFF, please refer to table 10, which reflects the increase in appropriation for special education.

The 2026 midbiennium adjustments do not include the additional \$15,470,633 as reflected in the November 2025 letter from the State Department of Education regarding the total cost to reimburse 80% of allowable costs for FY2025-26. Instead, appropriations are held the same in FY2025-26, which equates to a reimbursement rate of about 78% of allowable costs. Additionally, the budget reduces the amount appropriated for FY2026-27 by \$18,449,033, to hold the appropriation flat from FY2025-26 to FY2026-27. The percentage of allowable costs reimbursed in FY2026-27 is yet to be determined, and will depend on the November 2026 letter from the department as well as any deficit appropriations in the 2027 session. Total special education appropriations are shown in the following table.

Table 40 Special Education Appropriations

Special Education	FY22/FY23 Biennium		FY24/FY25 Biennium		Current Biennium	
	FY2021-22	FY2022-23	FY2023-24	FY2024-25	FY2025-26	FY2026-27
Base Year appropriation (GF)	231,079,770	231,079,770	235,724,424	235,724,424	235,724,424	235,724,424
Session Adjustments	2,310,798	4,644,704	0	0	0	0
Total General Funds	233,390,568	235,724,474	235,724,424	235,724,424	235,724,424	235,724,424
\$ Change (GF)	2,310,798	2,333,906	0	0	0	0
% Change (GF)	1.00%	1.00%	0.00%	0.00%	0.00%	0.00%
Education Future Fund (LB 583)	0	0	199,041,052	206,007,489	206,007,489	206,007,489
Base Adjustment	0	0	0	0	67,558,187	67,558,187
Session Adjustments	0	0	27,539,228	67,558,187	17,825,154	36,274,187
Session Adjustments (2026)	0	0	0	0	0	(18,449,033)
Total Education Future Funds	0	0	226,580,280	273,565,676	291,390,830	291,390,830
\$ Change (EFF)	0	0	226,580,280	46,985,396	17,825,154	0
% Change (EFF)	N/A	N/A	N/A	20.74%	6.52%	0.00%
TOTAL ALL FUNDS	233,390,568	235,724,474	462,304,704	509,290,100	527,115,254	527,115,254
\$ Change (ALL FUNDS)	2,310,798	2,333,906	226,580,230	46,985,396	17,825,154	0
% Change (ALL FUNDS)	1.00%	1.00%	96.12%	10.16%	3.50%	0.00%
GF Share of total	100.0%	100.0%	51.0%	46.3%	44.7%	44.7%

The only change to the appropriations from the Education Future Fund relates to special education reimbursements to school districts in FY2026-27, as shown in Table 19, and incorporating intent language for the upcoming biennium (FY2027-28 and FY2028-29) for the Reading Improvement Act (LB 862). An updated cash flow for the Education Future Fund, reflecting these changes, is shown in the following table.

Table 41 Education Future Fund Cash Flow

Bill #		FY2024-25 Actual	FY2025-26 Est	FY2026-27 Est	FY2027-28 Est	FY2028-29 Est
LB 818	Transfers In from General Fund	250,000,000	250,000,000	250,000,000	250,000,000	250,000,000
LB 261	Change in GF Transfers in (2025 budget)		(8,000,000)	(8,000,000)		
LB 1413	Transfers In	2,000,000				
LB 1284	Transfer Out (To Computer Science & Tech Ed Fund)	(1,000,000)	(1,500,000)	(500,000)	(500,000)	(500,000)
LB 264	Transfers In (enacted 2025)		6,750,000			
LB 1072	Transfers In (2026)		9,164,064	43,500,000		
	Investment Income	28,074,894	17,195,085	13,060,329	9,420,028	4,587,580
	Total Revenue	279,074,894	273,609,149	298,060,329	258,920,028	254,087,580
	Actuals/Appropriations:					
LB 705	Extraordinary Increases in Special Education	-	2,500,000	2,500,000	2,500,000	2,500,000
LB 705	Nebraska Teacher Apprenticeship Program	660,002	1,000,000	1,000,000	1,000,000	1,000,000
LB 705	Nebraska Teacher Recruitment & Retention Act	9,999,375	5,000,000	5,000,000	5,000,000	5,000,000
LB 583	Special Education - 80% (est.)	254,058,577	291,390,830	291,390,830	291,390,830	291,390,830
LB 583	24% of Foundation Aid	112,309,502	112,977,519	112,196,843	112,794,802	113,412,552
LB 814	Career & Technical Education Aid	948,371	4,959,040	4,959,040	4,959,040	4,959,040
LB 814	Career & Technical Education Ops	75,609	356,960	356,960	356,960	356,960
LB 1284	Aid to ESUs for regional coaches/training	1,851,467	1,851,467	1,851,467	1,851,467	1,851,467
LB 1284	Ops for ESUs for regional coaches/training	-	148,533	148,533	148,533	148,533
LB 1284	Dyslexia Research Grant	499,985	-	-	-	-
LB 1284	Menstrual Products Pilot Program		250,000	-	-	-
	Total:	380,402,888	420,434,348	419,403,673	420,001,632	420,619,383
	Fund Balance:	564,836,159	418,010,959	296,667,615	135,586,011	(30,945,791)
	*estimates in FY26 and FY27					

Under current law, investment earnings from the Board of Educational Lands and Funds Cash Fund are credited to the EFF, beginning July 1, 2025. Investment earnings from two funds are added, beginning July 1, 2026: the State Lottery Operation Trust Fund, State Lottery Operation Cash Fund, and the State Lottery Prize Trust Fund. Estimated amounts for investment earnings from these funds is added to the investment income estimate line in the table above. All transfers into the Education Future Fund, from FY2023-24 to FY2026-27, are shown in the following table.

**Table 42 Transfers from Other Funds (excluding the General Fund) into the Education Future Fund
FY2023-24 to FY2026-27**

FY	From Fund	Amount
FY24	Education Innovative Grant Fund	7,500,000
FY25	Education Improvement Fund	2,000,000
FY26	BELF Cash Fund investment earnings	est
FY26	CC Gap Assistance	3,000,000
FY26	Certification Fund	1,000,000
FY26	Education Improvement Fund	1,700,000
FY26	Tuition Recovery Fund	100,000
FY26	Private Postsecondary Fund	100,000
FY26	Expanded Learning Fund	50,000
FY26	Certification Fund	700,000
FY26	State Lottery Operation Trust Fund	4,694,064
FY26	State Lottery Prize Trust Fund	70,000
FY26	Land Exchanges Fund	2,000,000
FY26	Ag & Univ Land Lease Fund	2,500,000
FY26	Permanent School Fund	40,000,000
FY27	State Lottery Operation Trust Fund investment earnings	est
FY27	State Lottery Prize Trust Fund investment earnings	est
FY27	State Lottery Operation Cash Fund investment earnings	est
FY27	Nebraska Education Improvement Fund	500,000
FY27	Gap Assistance Fund	2,000,000
FY27	Excellence in Teaching Fund	1,000,000

Nebraska Environmental Trust

The enacted budget includes transfers from the Nebraska Environmental Trust Fund to other funds. The budget includes the following transfers out of the Nebraska Environmental Trust (NET) Fund:

- A transfer of \$8 million in FY2025-26 from the NET Fund to the DNR’s Water Sustainability Fund. The enacted budget zeros out the aid appropriation for the Water Sustainability Fund for both fiscal years. The unexpended cash fund appropriation is reappropriated. The transfer of \$8 million into the Water Sustainability Fund is to close the current over-obligation of the fund. With the transfer the program will have an over-obligation of approximately \$3 million, and as such, the program will likely be paused during the biennium. In addition, the enacted budget requires a sub-account within the Water Sustainability Fund to receive the NET funds and stipulate those expenditures from the sub-account must be used in accordance with the Nebraska Environmental Trust act. In 2026, \$5.1 million in aid appropriation from the Water Sustainability Fund was included to continue to pay grant awards.
- Transfers of \$2 million FY2025-26 and \$2 million in FY2026-27 from NET Fund to the DNR’s Soil and Water Conservation Fund, along with amending the use language to be pursuant to the NET Act and creating a subaccount for NET funds transferred.
- A one-time transfer of \$3 million in FY2025-26 from the NET Fund to the DNR’s Water Resources Cash Fund (WRCF), along with amending the use language to be pursuant to the NET Act and creating a subaccount for NET funds transferred. WRCF has been used to make awards to irrigation districts and Natural Resources Districts to fund projects related to integrated management of groundwater and surface water in over-appropriated river basins. The fund has an over-obligated status of approximately \$3 million, so this would have the WRCF contain sufficient funds to meet its obligations with the intent to pause awards until a sustainable funding source can be identified.

The 2026 midbiennium adjustments include a transfer of \$7,522,461 from the Nebraska Environmental Trust Fund to the Water Recreation Enhancement Fund in FY2025-26 to cover portions of the Lewis & Clark project, which are consistent with current use of the Nebraska Environmental Trust Funds. Additional language was

added within the Water Recreation Enhancement Fund to restrict the use to align with the purposes of the Nebraska Environmental Trust Act.

The 2026 midbiennium adjustments include a transfer of \$6 million from the Nebraska Environmental Trust Fund to the Water Resources Cash Fund in FY2026-27. The funds are appropriated to the Department of Water, Energy, and Environment and earmarked for state aid, to be utilized for grants to irrigation districts and Natural Resources Districts.

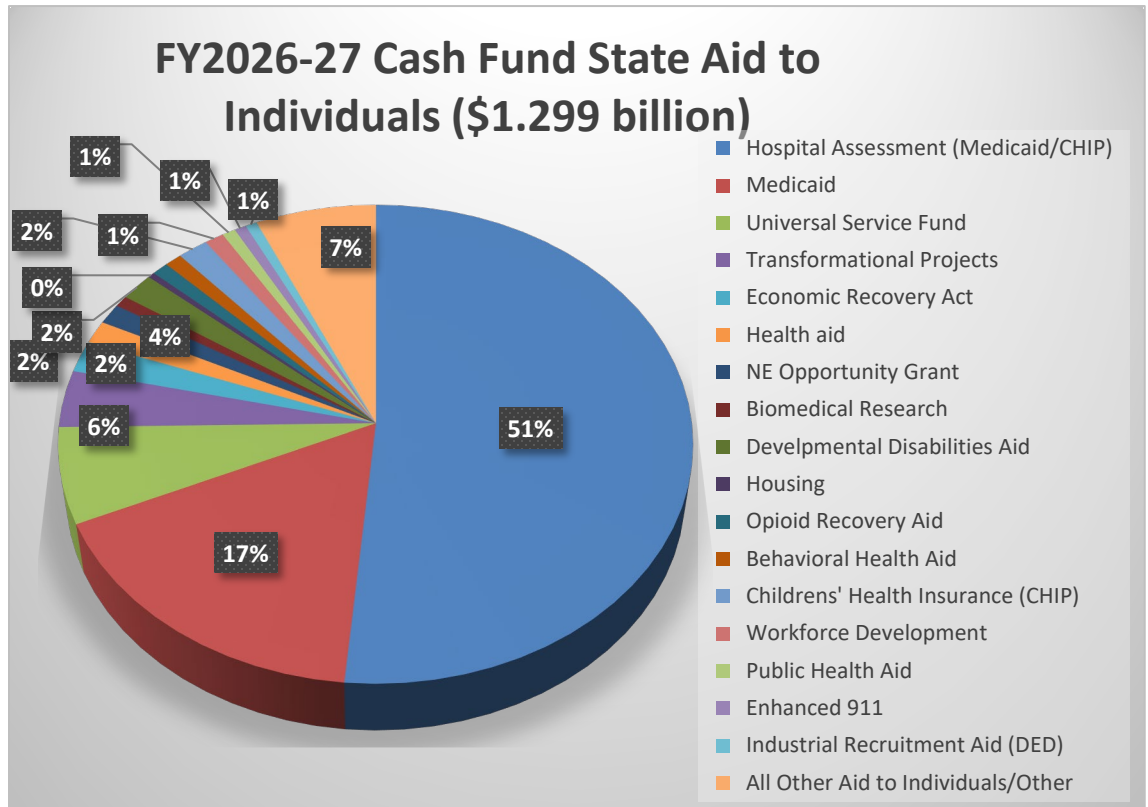
Table 43 Nebraska Environmental Trust Fund Cash Flow

	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26*	FY26-27*	FY27-28*
Beginning Balance	43,159,421	52,570,917	59,487,222	68,821,115	73,280,618	57,932,705	53,593,813
Revenue:							
Lottery Proceeds	21,930,374	24,876,555	24,709,089	20,309,654	22,606,000	22,606,000	22,606,000
Interest	628,527	1,053,120	1,588,310	669,877	0	0	0
Transfers Outs	(700,000)	0	0	0	0	0	0
Other	4,674	114	568	671	0	0	0
Transfer to DWEE Water Resources Cash Fund (2023,2025)	0	0	(7,000,000)	(7,000,000)	(3,000,000)	0	0
Transfer to DWEE Water Sustainability Fund (2025)	0	0	0	0	(8,000,000)	0	0
Transfer to DWEE Soil and Water Conservation Fund (2025)	0	0	0	0	(2,000,000)	(2,000,000)	0
Transfer to DWEE Water Resources Cash Fund (20226)	0	0	0	0	0	(6,000,000)	0
Transfer to Water Recreation Enhancement Fund (2026)	0	0	0	0	(7,522,461)	0	0
Total Revenue	21,863,575	25,929,789	19,297,967	13,980,202	2,083,539	14,606,000	22,606,000
Expenditures:							
Operations	483,685	460,161	609,486	583,893	852,651	872,563	872,563
Distribution of Aid	11,968,394	18,553,323	9,354,588	8,936,806	16,578,801	18,072,329	18,072,329
Total Expenditures	12,452,079	19,013,484	9,964,074	9,520,699	17,431,452	18,944,892	18,944,892
Ending Balance	52,570,917	59,487,222	68,821,115	73,280,618	57,932,705	53,593,813	57,254,921
Total Aid Appropriations	20,000,000	20,500,000	20,500,000	25,750,000	25,750,000	25,750,000	25,750,000
Grants Awarded Each Fiscal Year	17,196,327	13,896,237	20,452,886	15,387,280	18,376,820		
<i>*Fiscal year data estimated</i>							

Cash Fund State Aid to Individuals / Others

Aid to Individuals/Other includes programs such as Medicaid, public assistance programs, child welfare services and student scholarships where state funds are provided for the direct benefit of an individual.

This area has an increase of \$75.1 million in FY2025-26 and an increase of \$120.5 million in FY2026-27, as compared to the base year FY2024-25. Two-year average annual cash fund appropriation growth is 5.0% per year.



Economic Recovery and Inland Port Authority

The enacted budget includes a \$120 million reduction each fiscal year as one-time funds are paid out in grants and aid. An appropriation of about \$27.5 million in FY2025-26 and in FY2026-27 remains as the Department of Economic Development continues to expend awarded funds.

Middle Income Workforce Housing Investment Fund & Rural Workforce Housing Investment Fund

The enacted budget includes \$7,226,860 Cash Fund appropriation for aid from each fund in FY2025-26. In the 2024 session, \$12.5 million was transferred into each fund in LB1413 (2024). With the base appropriation in each program this will increase the appropriation to \$12.5 million for the programs. An additional \$250,000 is appropriated from the fund for a study on prefabricated housing. The Appropriations Committee included a transfer of \$4 million from each fund in FY2025-26 to the General Fund. However, during floor debate, these transfers were stricken, and instead a one-time transfer of \$8 million from the Affordable Housing Trust Fund to the General Fund is authorized in FY2026-27.

Municipality Infrastructure – LB 600 (2024)

The enacted budget includes a reduction of \$4,406,270 of cash funds for state-aid from the FY2024-25 base cash fund appropriation. This is a result of the duties of LB600, a one-time grant program, being completed.

Shovel-Ready Cash Fund

The enacted budget includes an appropriation reduction of \$30 million per year. Shovel-Ready provides one-time funds to eligible non-profits, and as its fund balance is drawn down, the appropriation is being reduced to correspond with its remaining balance.

Project REACH

The Research, Engineering, Architecture Collaboration Hub is a \$200M total project, which aims to be a national cybersecurity and defense hub. The project received \$20M grant from the Site and Building Development Fund in FY2024-25. The enacted budget includes a \$25.5 million additional grant to bring the state's contribution to \$45.5 million. This will be funded by a \$25.5 million transfer from the Military Instillation Development and Support Fund to the Site and Building Development Fund. The enacted budget also includes intent language to fund the remaining \$4.5 million in FY2027-28 from the Site and Building Development Fund to reach a total state contribution of \$50 million.

In the 2026 midbiennium budget adjustments, the appropriation from the Site and Building Development Fund is reduced by \$1 million, and the transfer to the fund from the Military Instillation Development and Support Fund is also reduced by \$1 million. Instead, the \$1 million will be transferred to the Military Department Cash Fund and is appropriated for a consultant on the project.

Transformational Projects Act

The Nebraska Transformational Projects Act was passed within LB1107 in 2020. The Transformational Projects Act is designed to allow Nebraska postsecondary institutions with a college of medicine to apply for matching funds for a federally awarded project. As originally envisioned in LB1107, the University of Nebraska Medical Center (UNMC) would collaborate with the U.S. military to support a variety of medical initiatives, such as biomedical containment and medical preparedness. Applications for Project Next are due on December 31, 2025, and the successful applicant must enter into an agreement with Department of Economic Development (DED). The applicant was to make an investment of \$1.6 billion, of which \$1 billion was to come from federal funding before the end of a defined transformational period, and an additional \$300 million in private donations to have been received by the end of a defined continuation period.

Originally, the successful applicant would be entitled to \$300 million in State funds (matching the remaining \$300 million in private funds) if: (1) the commitments of investment of \$1.3 billion have been secured; (2) the institution is selected for participation in the required federal program; and (3) the total amount of credits under the Nebraska Property Tax Refund Act reaches \$375 million. LB1107 also created the Nebraska Transformational Projects Fund, and transfers to the fund for matching State funds would be allowed beginning in FY2026, subject to action by the Legislature. The transfers were estimated at \$50 million per year for a period of six years.

Since 2020, the University of Nebraska has renamed Phase I of Project NExT to "Project Health", and is set to submit its application before the 2025 deadline. The related Federal act passed in 2020, but the corresponding Federal funding was never attached. The enacted budget amends the act such that to allow the previously-required Federal funding to be replaced with private and institutional investments.

The enacted budget transfers of \$50 million from the Tobacco Settlement Fund to the Transformational Projects Fund for each year of the upcoming biennium. LB 264 also includes intent language for \$50 million each for the remaining four years from the Cash Reserve Fund, thereby accounting for the full \$300 million in State funding. The applications and administration of the grant will be managed by the Department of Economic Development, and the appropriation for the grant is contained within DED.

Medicaid Access and Quality Act – LB 527 (2025)

The enacted budget includes a General Fund reduction associated with LB 527 which creates a new assessment on health insurers to draw down additional federal funds. A portion of the anticipated funding (pending federal approval) will be used to offset General Fund expenditures in Medicaid. There is an additional cash fund and federal fund appropriation for the assessment. The increase in cash funds is \$63.1 million in FY2025-26 and \$128.8 million in FY2026-27 in the Medicaid and CHIP programs. This increase is one of the largest increases in cash fund appropriation in the enacted budget in the 2025 session.

Hospital Quality Assurance and Access Assessment Cash Fund

The enacted budget includes \$15 million in Medicaid Managed Care Excess Profit Cash Funds in lieu of Hospital Quality Assurance and Access Assessment Cash Fund in FY2024-25. The switch in cash fund is due to the availability of cash funds in the Hospital Quality Assurance and Access Assessment Cash Fund. The hospital assessment program received federal approval in June of 2025, after the Legislature adjourned Sine Die, which has caused delays in implementation of the Hospital Assessment pursuant to LB 1087 (2024).

The enacted budget also includes the provisions of LB 55, regarding appropriations for Medicaid rates for mental health providers. The Committee included funds to increase rates paid to Behavioral Health providers for dual eligible (Medicare/Medicaid) individuals receiving such services in FY2025-26 only. The cash fund source is the Hospital Quality Assurance and Access Assessment Cash Fund.

In the 2026 session, additional cash fund appropriation is included following the June 2025 federal approval of the program. An additional \$22.5 million per year is included in the Medicaid program, which is offset by a corresponding General Fund appropriation decrease. Additional cash fund appropriation is also included for the CHIP program in the amount of \$36 million per year.

Medicaid Managed Care Excess Profit Fund

The enacted budget includes a \$10 million increase in cash authority in FY2025-26, which offsets a commensurate reduction in General Funds in the same fiscal year. In addition, the provisions of LB 348 were included to appropriate \$3 million per fiscal year for domestic violence services from this cash fund. These provisions were added during floor debate of the budget.

The enacted budget also includes the provisions of LB 57, regarding appropriations for Medicaid assisted-living facilities. The enacted budget Medicaid Managed Care Excess Profit Cash Funds and federal funds to increase rural assisted living single occupancy rates from the current rate of \$62.73 per day to the urban rate of \$73.91 per day in FY2025-26 only.

The total appropriations from the Medicaid Managed Care Excess Profit Cash Funds exceed the anticipated balance in the fund. The authorizing statute § 68-996 indicates the first priority of the fund is to offset contractual losses and the second priority is all other authorized uses. As a result, in the 2026 session, adjustments were made relative to appropriations to balance the authorized spending with the estimated revenues for the biennium.

The 2026 midbiennium budget adjustments include changes to Medicaid Managed Care Excess Profit Fund appropriations. Three programs funded by this cash fund were reduced, including one which was moved to a different fund source, and one was extended. The Family Resource and Juvenile Assessment Pilot Program was reduced from \$1,000,000 annually to \$745,000 each year of the biennium, with an anticipated increase up to \$1,000,000 annually in FY2027-28. The program is intended to be in place for five years. Domestic Violence Services aid was reduced from \$3,000,000 to \$2,150,000 in FY2026-27. The Area Agencies on Aging aid was reduced from \$2,000,000 annually to \$500,000 and the fund source was changed to Health Care Cash Funds. The provision to increase rural assisted-living rates to the rate of urban assisted-living rates was extended into

FY2026-27. An increase in General Funds of \$2,441,593 was originally included in the committee preliminary (associated with the Medicaid expenditures that were funded by the Medicaid Managed Care Excess Profit Fund), but was taken out of the final budget recommendation after updates to revenue projections provided by DHHS. Based on current projections of revenue, there is expected to be sufficient funding for the remaining obligations this biennium with less than \$4,000 remaining at the end of FY2026-27.

Table 44 Medicaid Managed Care Excess Profit Fund Appropriations as Adjusted – 2026 Session

State Fiscal Year		FY2025-26	FY2026-27	FY2027-28	FY2028-29
Beg. Balance		19,989,375	11,952,698	3,972	(15,049,755)
Repayments		14,421,596	-	-	-
Expenditures		22,458,273	11,948,726	15,053,726	13,372,538
Cash Fund Ending Balance		11,952,698	3,972	(15,049,755)	(28,422,293)
Prog	Appropriation Item	FY2025-26	FY2026-27	FY2027-28	FY2028-29
33	Medical Respite Care ops	216,444	219,188	219,188	219,188
33	JJ pilot program aid	745,000	745,000	1,000,000	1,000,000
344	CHIP Syphilis Screening aid	8,798	7,655	7,655	7,655
348	Medical Respite Care aid	133,435	177,914	177,914	177,914
348	Prenatal Plus aid	1,648,224	1,681,188	1,681,188	-
348	Continuous Glucose Monitors aid	1,795,249	1,831,154	1,831,154	1,831,154
348	Translation aid	1,452,354	1,481,401	1,481,401	1,481,401
348	FY26 General Fund Offset	10,000,000	-	-	-
348	Medicaid Nurse Home-Visiting aid	380,628	774,002	774,002	774,002
348	Medicaid Syphilis Screening aid	69,777	72,860	72,860	72,860
348	Rural Assisted Living Facility Rates	1,408,364	1,408,364	1,408,364	1,408,364
354	Domestic Violence Services	3,000,000	2,150,000	3,000,000	3,000,000
514	Home-Visiting aid	900,000	900,000	900,000	900,000
514	Nurse Home-Visiting aid	500,000	500,000	500,000	500,000
514	Intergenerational Care Facility aid	200,000	-	-	-
559	Area Agencies on Aging	-	-	2,000,000	2,000,000
Total Appropriations		22,458,273	11,948,726	15,053,726	13,372,538

Tobacco Master Settlement and the Health Care Cash Fund

Nebraska, along with 51 other states and territories, entered into a settlement agreement with tobacco manufacturers in 1998 which continues in perpetuity. The basis of the settlement was to reimburse states for additional Medicaid costs states incurred in treating smoking-related illnesses and diseases. The revenue from the settlement varies from \$35.6 million to \$43.7 million in the last five years and is anticipated to drop to \$33.4 million in 2035 due to tobacco mitigation. Average investment earnings on the fund over the past five years is \$42.6 million. The balance of Tobacco Settlement Trust Fund at the end of FY2023-24 was \$605.9 million.

The Health Care Cash Fund is funded with annual transfers from the Tobacco Settlement Trust Fund and a transfer of \$1.25 million from revenue from cigarette taxes. The transfer is calculated to cover total appropriations. Sustainability of expenditures is analyzed by the State Investment Officer in even numbered years. In 2024, the sustainability report indicated the endowment has “a very good chance of meeting its investment goals” of providing funds for current and future spending needs.

In the 2025 session, the enacted budget increases annual appropriations from the Health Care Cash Fund by approximately \$10.4 million in each year of the biennium. FY2024-25 appropriations amount to \$56.5 million, and FY2025-26 and FY2026-27 appropriations amount to \$67.4 million. Additionally, the enacted budget includes two \$50 million transfers, one in each year of the biennium, from the Tobacco Master Settlement Trust Fund to the Transformational Projects Fund for Project Health.

Changes in appropriations in the 2025 session from the Health Care Cash Fund include the following:

- \$11 million increase per fiscal year for DHHS related to ending the developmental disability waiting list;
- \$1.082 million reduction per fiscal year for DHHS related to tobacco prevention for youth;
- Administrative expense increases for the Department of Revenue and the Children’s Commission;
- \$500,000 in FY2025-26 only for LB 581 for construction costs for a new facility that provides behavioral health services;
- \$500,000 in FY2026-27 only for LB 621 for Midtown Health federally qualified health center;
- \$300,000 per fiscal year for LB 284 for aid to the Special Olympics; and
- \$250,000 increase per fiscal year for the Attorney General for enforcement.

In the 2026 midbiennium adjustments, several changes are made to appropriations from the Health Care Cash Fund (HCCF), including:

- A reduction of HCCF authority by \$450,000 in FY2025-26 and FY2026-27 for smoking cessation in Medicaid.
- A reduction of HCCF authority by \$500,000 in FY2026-27 for NC2, the Nebraska Cancer Coalition.
- A reduction of HCCF authority by \$650,000 in FY2025-26 and FY2026-27 for minority public health services in the first and third congressional district to align with trends in expenditure.
- A reduction of HCCF authority by \$800,000 in FY2025-26 and FY2026-27 for tobacco prevention and control to align appropriation with current expenditure trends. The remaining cash fund appropriation is \$1.77 million.
- A reduction of HCCF authority by \$810,000 in FY2026-27 for the Lifespan Respite program. The agency indicates program expenses can be absorbed.
- A reduction of HCCF authority by \$1,150,000 in FY2025-26 and \$5,000,000 in FY2026-27 for Biomedical Research. The FY2025-26 reduction is divided proportionally between UNMC and the other postsecondary institutions (Boys Town and Creighton), leaving \$9,680,000 for UNMC and \$3,680,000 for Boys Town and Creighton. The FY2026-27 reduction is from UNMC only, leaving \$6,000,000 for UNMC and \$4,000,000 for Boys Town and Creighton.
- An increase of HCCF authority by \$7,551,789 in FY2026-27 for Child Care Subsidy; to maintain eligibility levels of 185% Federal Poverty Limit for regular subsidy and 200% FPL for transitional subsidy through October 1, 2026 which was included in the Select File amendment to LB 1071.
- An increase of HCCF authority of \$3,157,170 in FY2026-27 for Child Care Subsidy; to maintain the same eligibility levels from October 1, 2026 through June 30, 2027, the end of the biennium.
- A reduction of \$3,883,432 General Funds and increase of \$3,883,432 HCCF authority in FY2026-27 in Child Welfare Program 354 to cover costs associated with Letters of Agreement.
- A reduction of \$218,000 in General Funds and an increase of \$218,000 HCCF authority in FY2026-27 to change the funding source for the, “Every Woman Matters” program and a reduction of \$290,000 in General Funds and an increase of \$290,000 HCCF authority in FY2026-27 to change the funding source for the, “Stay in the Game” program.
- A reduction of \$238,562 in General Funds and an increase of \$238,562 HCCF authority in FY2026-27 to change the funding source for the Department’s Dental Director.

- An increase of HCCF authority by \$500,000 in FY2025-26 and FY2026-27 for Area Agencies on Aging to offset reductions to Medicaid Managed Care Excess Profit Funds.
- An increase of HCCF authority by \$500,000 in FY2026-27 for Federally Qualified Health Centers pursuant to LB858 (2026) for distribution to each of the seven facilities proportional to uninsured clientele.

To summarize HCCF items, the budget includes new obligations of \$500,000 in FY2025-26 and \$16,338,953 in FY2026-27 and reduces the obligations by \$3,050,000 in FY2025-26 and \$8,210,000 in FY2026-27. The cumulative impact is an increase of \$5,578,953 in the biennium. Appropriations from the Health Care Cash Fund enacted in 2025 were \$67,394,630 in FY2025-26, which is adjusted to \$64,844,630 in the final budget recommendation, and \$67,403,549 in FY2026-27, which is adjusted to \$75,532,502. The committee amended the transfer amount from the Tobacco Master Settlement in FY2026-27 to \$66,000,000 to fully fund Health Care Cash Fund appropriations through the biennium. Total transfers out of the Tobacco Master Settlement during the biennium amount to \$270,150,000 which includes funding Health Care Cash Fund appropriations, \$100 million for Project Health, and \$45 million to the General Fund. The additional \$45 million to the General Fund is included in the 2026 midbiennium adjustments to aid in addressing the General Fund deficit.

Table 45 Nebraska Tobacco Settlement Trust Fund Transfers in FY2025-26 and FY2026-27

To Fund	FY2025-26	FY2026-27
Transformational Project Fund	\$ 50,000,000	\$ 50,000,000
Health Care Cash Fund	\$ 59,150,000	\$ 66,000,000
General Fund	\$ -	\$ 45,000,000
	\$ 109,150,000	\$ 161,000,000

Table 46 Nebraska Health Care Cash Fund Adjustments – 2026 Session

Prog. #	Item	FY2025-26	FY2026-27
347	Child Care Subsidy	\$ -	\$ 10,708,959
354	Child Welfare Aid	\$ -	\$ 3,883,432
571	Area Agencies on Aging	\$ 500,000	\$ 500,000
502	FQHC expanded access	\$ -	\$ 500,000
514	Stay in the Game - Colon Cancer	\$ -	\$ 290,000
33	Dental Director	\$ -	\$ 238,562
514	Every Woman Matters - Screenings	\$ -	\$ 218,000
514	NE Cancer Coalition (NC2)- University	\$ -	\$ (500,000)
347	Respite Care Aid	\$ -	\$ (810,000)
348	Medicaid Smoking Cessation	\$ (450,000)	\$ (450,000)
502	Minority Health Aid (1st and 3rd Congr. Dist.)	\$ (650,000)	\$ (650,000)
30	Tobacco Prevention and Control	\$ (800,000)	\$ (800,000)
623	Biomedical Research	\$ (1,150,000)	\$ (5,000,000)
	TOTAL NET ADJUSTMENT	\$ (2,550,000)	\$ 8,128,953

Table 47 Nebraska Health Care Cash Fund Summary (2026 Adjustments in Bold)

Ag	Prog	Description	FY24-25	FY 25-26	FY 26-27
3	122	Legislative Council	75,000	75,000	75,000
11	507	Attorney General (Tobacco MSA Enforcement)	595,807	845,807	845,807
16	102	Revenue Auditor (Tobacco MSA Enforcement)	329,808	336,404	336,404
16	164	Gamblers Assistance	0	0	0
25	30	Tobacco Prevention and Control	2,570,000	1,770,000	1,770,000
25	30	JUUL Settlement - Youth Tobacco Prevention	1,082,146	0	0
25	33	Dental Director	0	0	238,562
25	33	Smoking Cessation operations	6,000	6,000	6,000
25	33	EMS Technicians Regulation	13,688	13,688	13,688
25	33	Parkinson's Disease Registry	26,000	0	0
25	33	Public Health Staff	100,000	100,000	100,000
25	33	Minority Health Satellite Offices	220,000	220,000	220,000
25	33	Respite Care Regions Staff and Operating	404,643	404,643	404,643
25	38	Completely Kids Construction	0	500,000	0
25	38	Emergency Protective Service Funding	1,500,000	1,500,000	1,500,000
25	38	MH/SA Regions Service Capacity	6,500,000	6,500,000	6,500,000
25	250	MH/SA Service Capacity Juvenile Justice	1,000,000	1,000,000	1,000,000
25	344	Children's Health Insurance Aid	6,835,700	6,835,700	6,835,700
25	347	Respite Care Aid	810,000	810,000	0
25	347	Child Care Subsidy	0	0	10,708,959
25	348	Medicaid Smoking Cessation	450,000	0	0
25	354	Child Welfare Aid	0	0	3,883,432
25	424	Developmental Disability Aid	5,000,000	16,000,000	16,000,000
25	502	Midtown FQHC	0	0	500,000
25	502	FQHC Patient Counts	750,000	750,000	750,000
25	502	FQHC expanded access	0	0	500,000
25	502	Minority Health (2nd Congressional District)	1,349,000	1,349,000	1,349,000
25	502	Minority Health Aid (1st and 3rd Congr. Dist.)	1,526,000	876,000	876,000
25	502	County Public Health Aid	5,605,000	5,605,000	5,605,000
25	514	Poison Control Center	200,000	200,000	200,000
25	514	NE Cancer Coalition (NC2)- University	500,000	500,000	0
25	514	Pediatric Cancer - UNMC	2,700,000	2,700,000	2,700,000
25	514	Brain Injury Trust	500,000	500,000	500,000
25	514	Perinatal Quality Improvement	130,000	130,000	130,000
25	514	Special Olympics	0	300,000	300,000
25	514	Every Woman Matters - Screenings	0	0	218,000
25	514	Stay in the Game - Colon Cancer	0	0	290,000
25	571	Area Agencies on Aging	0	500,000	500,000
25	621	Stem Cell Research	450,000	450,000	450,000
25	623	Biomedical Research	15,000,000	13,850,000	10,000,000
70	353	Nebraska Children's Commission Ops	208,894	217,388	226,307
Total			56,437,686	64,844,630	75,532,502
Ending balance (projected italics)			12,775,373	8,330,743	48,241

Cash Fund Appropriations by Agency

Table 48 Appropriations by Agency and Type – Cash Funds

		Per 2025 Session		Adjustment 2026 Session		Per 2026 Session		
		Enacted FY2025-26	Enacted FY2026-27	Enacted FY2025-26	Enacted FY2026-27	Adj Total FY2025-26	Adj Total FY2026-27	
	Type							
#03	Legislative Council	Oper	370,200	370,000	0	25,000	370,200	395,000
#03	Legislative Council	Total	370,200	370,000	0	25,000	370,200	395,000
#05	Supreme Court	Aid	770,000	770,000	0	0	770,000	770,000
#05	Supreme Court	Oper	17,151,210	17,038,662	6,500,000	6,500,000	23,651,210	23,538,662
#05	Supreme Court	Total	17,921,210	17,808,662	6,500,000	6,500,000	24,421,210	24,308,662
#09	Secretary of State	Oper	9,502,035	9,212,565	70,000	173,333	9,572,035	9,385,898
#09	Secretary of State	Total	9,502,035	9,212,565	70,000	173,333	9,572,035	9,385,898
#10	State Auditor	Oper	2,863,287	2,940,900	0	0	2,863,287	2,940,900
#10	State Auditor	Total	2,863,287	2,940,900	0	0	2,863,287	2,940,900
#11	Attorney General	Oper	8,118,856	8,222,033	0	300,000	8,118,856	8,522,033
#11	Attorney General	Total	8,118,856	8,222,033	0	300,000	8,118,856	8,522,033
#12	State Treasurer	Aid	44,660,000	44,660,000	0	0	44,660,000	44,660,000
#12	State Treasurer	Oper	3,903,152	5,001,151	0	0	3,903,152	5,001,151
#12	State Treasurer	Total	48,563,152	49,661,151	0	0	48,563,152	49,661,151
#13	Education	Aid	434,802,156	453,319,870	2,000,000	(16,672,180)	436,802,156	436,647,690
#13	Education	Oper	5,156,873	4,990,665	36,193	8,815	5,193,066	4,999,480
#13	Education	Total	439,959,029	458,310,535	2,036,193	(16,663,365)	441,995,222	441,647,170
#14	Public Service Comm	Aid	92,865,000	92,865,000	0	0	92,865,000	92,865,000
#14	Public Service Comm	Oper	19,927,203	20,134,149	0	675,000	19,927,203	20,809,149
#14	Public Service Comm	Total	112,792,203	112,999,149	0	675,000	112,792,203	113,674,149
#16	Revenue	Aid	1,245,150,000	1,299,150,000	22,450,000	950,000	1,267,600,000	1,300,100,000
#16	Revenue	Oper	33,581,534	34,282,454	13,423,721	28,892,356	47,005,255	63,174,810
#16	Revenue	Total	1,278,731,534	1,333,432,454	35,873,721	29,842,356	1,314,605,255	1,363,274,810
#18	Agriculture	Oper	10,404,992	10,856,871	0	578,000	10,404,992	11,434,871
#18	Agriculture	Total	10,404,992	10,856,871	0	578,000	10,404,992	11,434,871
#19	Banking	Oper	10,177,235	10,129,519	0	0	10,177,235	10,129,519
#19	Banking	Total	10,177,235	10,129,519	0	0	10,177,235	10,129,519
#21	Fire Marshal	Oper	6,383,330	7,180,661	90,000	90,000	6,473,330	7,270,661
#21	Fire Marshal	Total	6,383,330	7,180,661	90,000	90,000	6,473,330	7,270,661
#22	Insurance	Oper	13,765,486	13,765,486	0	0	13,765,486	13,765,486
#22	Insurance	Total	13,765,486	13,765,486	0	0	13,765,486	13,765,486
#23	Labor	Aid	11,483,387	11,480,259	0	4,000,000	11,483,387	15,480,259
#23	Labor	Oper	2,286,505	2,334,241	266,358	3,772,186	2,552,863	6,106,427
#23	Labor	Total	13,769,892	13,814,500	266,358	7,772,186	14,036,250	21,586,686
#24	DMV	Aid	68,000	68,000	0	0	68,000	68,000
#24	DMV	Oper	58,653,451	47,559,318	0	521,520	58,653,451	48,080,838
#24	DMV	Total	58,721,451	47,627,318	0	521,520	58,721,451	48,148,838
#25	DHHS	Aid	927,904,767	983,513,298	32,550,000	45,018,755	960,454,767	1,028,532,053
#25	DHHS	Oper	76,200,291	76,841,186	1,358,565	(862,873)	77,558,856	75,978,313
#25	DHHS	Total	1,004,105,058	1,060,354,484	33,908,565	44,155,882	1,038,013,623	1,104,510,366

		Per 2025 Session		Adjustment 2026 Session		Per 2026 Session		
		Enacted	Enacted	Enacted	Enacted	Adj Total	Adj Total	
		FY2025-26	FY2026-27	FY2025-26	FY2026-27	FY2025-26	FY2026-27	
	Type							
#27	Transportation	Aid	65,701,205	57,701,205	0	0	65,701,205	57,701,205
#27	Transportation	Oper	1,296,868,226	1,308,369,101	0	0	1,296,868,226	1,308,369,101
#27	Transportation	Total	1,362,569,431	1,366,070,306	0	0	1,362,569,431	1,366,070,306
#28	Veterans Affairs	Oper	16,099,266	16,135,105	6,770,000	6,586,705	22,869,266	22,721,810
#28	Veterans Affairs	Total	16,099,266	16,135,105	6,770,000	6,586,705	22,869,266	22,721,810
#30	Electrical Bd	Oper	2,758,509	2,825,319	0	(400,000)	2,758,509	2,425,319
#30	Electrical Bd	Total	2,758,509	2,825,319	0	(400,000)	2,758,509	2,425,319
#31	Military Dept	Aid	250,000	250,000	0	13,500	250,000	263,500
#31	Military Dept	Oper	1,116,593	1,123,571	1,000,000	0	2,116,593	1,123,571
#31	Military Dept	Total	1,366,593	1,373,571	1,000,000	13,500	2,366,593	1,387,071
#32	Ed Lands & Funds	Oper	21,233,721	21,330,498	0	0	21,233,721	21,330,498
#32	Ed Lands & Funds	Total	21,233,721	21,330,498	0	0	21,233,721	21,330,498
#33	Game & Parks	Aid	28,811,000	28,061,000	0	0	28,811,000	28,061,000
#33	Game & Parks	Oper	96,571,875	98,025,495	1,275,942	679,945	97,847,817	98,705,440
#33	Game & Parks	Total	125,382,875	126,086,495	1,275,942	679,945	126,658,817	126,766,440
#34	Library Commission	Oper	45,484	45,484	0	0	45,484	45,484
#34	Library Commission	Total	45,484	45,484	0	0	45,484	45,484
#35	Liquor Control	Oper	100,000	100,000	500,000	300,000	600,000	400,000
#35	Liquor Control	Total	100,000	100,000	500,000	300,000	600,000	400,000
#36	Racing Commission	Aid	20,120,000	20,120,000	0	0	20,120,000	20,120,000
#36	Racing Commission	Oper	6,471,610	6,657,426	350,000	3,567,273	6,821,610	10,224,699
#36	Racing Commission	Total	26,591,610	26,777,426	350,000	3,567,273	26,941,610	30,344,699
#37	Workers' Comp Court	Oper	7,190,507	7,212,144	675,001	0	7,865,508	7,212,144
#37	Workers' Comp Court	Total	7,190,507	7,212,144	675,001	0	7,865,508	7,212,144
#39	Brand Committee	Oper	6,567,682	6,802,519	0	0	6,567,682	6,802,519
#39	Brand Committee	Total	6,567,682	6,802,519	0	0	6,567,682	6,802,519
#40	Motor Vehicle Dealers	Oper	1,044,970	1,151,294	0	0	1,044,970	1,151,294
#40	Motor Vehicle Dealers	Total	1,044,970	1,151,294	0	0	1,044,970	1,151,294
#41	Real Estate Commission	Oper	1,718,907	1,770,297	0	0	1,718,907	1,770,297
#41	Real Estate Commission	Total	1,718,907	1,770,297	0	0	1,718,907	1,770,297
#45	Barber Bd	Oper	210,264	219,773	0	0	210,264	219,773
#45	Barber Bd	Total	210,264	219,773	0	0	210,264	219,773
#46	Correctional Services	Aid	8,300,000	4,800,000	0	0	8,300,000	4,800,000
#46	Correctional Services	Oper	7,586,125	2,586,125	0	0	7,586,125	2,586,125
#46	Correctional Services	Total	15,886,125	7,386,125	0	0	15,886,125	7,386,125
#47	NETC	Oper	340,097	340,097	0	0	340,097	340,097
#47	NETC	Total	340,097	340,097	0	0	340,097	340,097
#48	Coordinating Comm	Aid	22,418,072	22,418,072	260,000	0	22,678,072	22,418,072
#48	Coordinating Comm	Oper	408,206	421,570	0	0	408,206	421,570
#48	Coordinating Comm	Total	22,826,278	22,839,642	260,000	0	23,086,278	22,839,642
#50	State Colleges	Aid	2,949,538	2,949,538	0	0	2,949,538	2,949,538
#50	State Colleges	Oper	44,108,991	44,108,991	0	0	44,108,991	44,108,991
#50	State Colleges	Total	47,058,529	47,058,529	0	0	47,058,529	47,058,529
#51	University of Nebraska	Oper	520,587,275	520,587,275	0	0	520,587,275	520,587,275
#51	University of Nebraska	Total	520,587,275	520,587,275	0	0	520,587,275	520,587,275

			Per 2025 Session		Adjustment 2026 Session		Per 2026 Session	
		Type	Enacted FY2025-26	Enacted FY2026-27	Enacted FY2025-26	Enacted FY2026-27	Adj Total FY2025-26	Adj Total FY2026-27
#52	State Fair Board	Oper	5,000,000	5,000,000	0	0	5,000,000	5,000,000
#52	State Fair Board	Total	5,000,000	5,000,000	0	0	5,000,000	5,000,000
#53	Real Estate Appraisers	Oper	486,797	502,236	12,263	4,282	499,060	506,518
#53	Real Estate Appraisers	Total	486,797	502,236	12,263	4,282	499,060	506,518
#54	Historical Society	Oper	3,245,382	3,505,799	610,628	430,628	3,856,010	3,936,427
#54	Historical Society	Total	3,245,382	3,505,799	610,628	430,628	3,856,010	3,936,427
#56	Wheat Bd	Oper	1,697,031	1,709,812	0	0	1,697,031	1,709,812
#56	Wheat Bd	Total	1,697,031	1,709,812	0	0	1,697,031	1,709,812
#57	Oil & Gas Comm.	Oper	1,434,241	1,471,352	0	0	1,434,241	1,471,352
#57	Oil & Gas Comm.	Total	1,434,241	1,471,352	0	0	1,434,241	1,471,352
#58	Engineers/Architects	Oper	993,075	1,025,208	0	0	993,075	1,025,208
#58	Engineers/Architects	Total	993,075	1,025,208	0	0	993,075	1,025,208
#59	Geologists	Oper	35,324	35,892	0	0	35,324	35,892
#59	Geologists	Total	35,324	35,892	0	0	35,324	35,892
#60	Ethanol Bd	Oper	872,078	891,276	0	0	872,078	891,276
#60	Ethanol Bd	Total	872,078	891,276	0	0	872,078	891,276
#61	Dairy Industry Bd	Oper	1,640,000	1,640,000	0	0	1,640,000	1,640,000
#61	Dairy Industry Bd	Total	1,640,000	1,640,000	0	0	1,640,000	1,640,000
#62	Land Surveyors	Oper	30,874	30,874	0	0	30,874	30,874
#62	Land Surveyors	Total	30,874	30,874	0	0	30,874	30,874
#63	Public Accountancy Bd	Oper	496,109	507,807	0	0	496,109	507,807
#63	Public Accountancy Bd	Total	496,109	507,807	0	0	496,109	507,807
#64	State Patrol	Oper	31,801,017	31,512,025	381,527	467,027	32,182,544	31,979,052
#64	State Patrol	Total	31,801,017	31,512,025	381,527	467,527	32,182,544	31,979,552
#65	Admin Services (DAS)	Oper	4,604,044	4,641,414	0	40,360	4,604,044	4,681,774
#65	Admin Services (DAS)	Total	4,604,044	4,641,414	0	40,360	4,604,044	4,681,774
#66	Abstracter's Bd	Oper	56,266	56,266	0	0	56,266	56,266
#66	Abstracter's Bd	Total	56,266	56,266	0	0	56,266	56,266
#68	Latino American Comm.	Oper	5,000	5,000	0	0	5,000	5,000
#68	Latino American Comm.	Total	5,000	5,000	0	0	5,000	5,000
#69	Arts Council	Aid	1,686,500	1,686,500	0	0	1,686,500	1,686,500
#69	Arts Council	Oper	148,263	148,263	0	0	148,263	148,263
#69	Arts Council	Total	1,834,763	1,834,763	0	0	1,834,763	1,834,763
#70	Foster Care Review	Oper	223,088	232,007	0	0	223,088	232,007
#70	Foster Care Review	Total	223,088	232,007	0	0	223,088	232,007
#72	Economic Development	Aid	152,412,602	108,208,882	(1,000,000)	21,900,000	151,412,602	130,108,882
#72	Economic Development	Oper	8,227,024	8,142,360	0	1,100,000	8,227,024	9,242,360
#72	Economic Development	Total	160,639,626	116,351,242	(1,000,000)	23,000,000	159,639,626	139,351,242
#73	Landscape Architects	Oper	35,618	36,347	0	0	35,618	36,347
#73	Landscape Architects	Total	35,618	36,347	0	0	35,618	36,347
#74	Power Review Board	Oper	786,844	808,516	0	4,750	786,844	813,266
#74	Power Review Board	Total	786,844	808,516	0	4,750	786,844	813,266
#75	Investment Council	Oper	3,879,362	3,980,063	0	0	3,879,362	3,980,063
#75	Investment Council	Total	3,879,362	3,980,063	0	0	3,879,362	3,980,063
#76	Indian Affairs Commission	Oper	60,000	60,000	0	0	60,000	60,000
#76	Indian Affairs Commission	Total	60,000	60,000	0	0	60,000	60,000

		Per 2025 Session		Adjustment 2026 Session		Per 2026 Session		
		Enacted	Enacted	Enacted	Enacted	Adj Total	Adj Total	
		FY2025-26	FY2026-27	FY2025-26	FY2026-27	FY2025-26	FY2026-27	
	Type							
#78	Crime Commission	Aid	378,474	378,474	1,491,160	400,000	1,869,634	778,474
#78	Crime Commission	Oper	1,430,640	1,455,023	208,840	100,000	1,639,480	1,555,023
#78	Crime Commission	Total	1,809,114	1,833,497	1,700,000	500,000	3,509,114	2,333,497
#81	Blind & Visually Impaired	Aid	10,000	10,000	0	0	10,000	10,000
#81	Blind & Visually Impaired	Oper	138,746	138,746	0	0	138,746	138,746
#81	Blind & Visually Impaired	Total	148,746	148,746	0	0	148,746	148,746
#82	Deaf & Hard of Hearing	Oper	36,600	36,600	0	0	36,600	36,600
#82	Deaf & Hard of Hearing	Total	36,600	36,600	0	0	36,600	36,600
#83	Community Colleges	Aid	265,988,849	279,288,291	5,457,627	5,730,509	271,446,476	285,018,800
#83	Community Colleges	Total	265,988,849	279,288,291	5,457,627	5,730,509	271,446,476	285,018,800
#84	Water, Energy, & Env	Aid	29,967,663	29,967,663	5,172,364	0	35,140,027	29,967,663
#84	Water, Energy, & Env	Oper	92,178,087	90,079,047	0	532,271	92,178,087	90,611,318
#84	Water, Energy, & Env	Total	122,145,750	120,046,710	5,172,364	532,271	127,318,114	120,578,981
#85	Retirement Board	Oper	9,099,639	9,033,639	0	22,500	9,099,639	9,056,139
#85	Retirement Board	Total	9,099,639	9,033,639	0	22,500	9,099,639	9,056,139
#86	Dry Bean Bd	Oper	674,969	679,831	0	0	674,969	679,831
#86	Dry Bean Bd	Total	674,969	679,831	0	0	674,969	679,831
#87	Account/Disclosure	Oper	439,602	440,285	127,707	162,457	567,309	602,742
#87	Account/Disclosure	Total	439,602	440,285	127,707	162,457	567,309	602,742
#88	Corn Bd	Oper	19,825,520	19,849,028	0	0	19,825,520	19,849,028
#88	Corn Bd	Total	19,825,520	19,849,028	0	0	19,825,520	19,849,028
#90	African American Affairs	Oper	25,000	25,000	0	0	25,000	25,000
#90	African American Affairs	Total	25,000	25,000	0	0	25,000	25,000
#91	Tourism Commission	Aid	852,600	852,600	325,000	0	1,177,600	852,600
#91	Tourism Commission	Oper	9,287,226	9,342,965	0	0	9,287,226	9,342,965
#91	Tourism Commission	Total	10,139,826	10,195,565	325,000	0	10,464,826	10,195,565
#92	Grain Sorghum Bd	Oper	325,153	329,360	0	0	325,153	329,360
#92	Grain Sorghum Bd	Total	325,153	329,360	0	0	325,153	329,360
#93	Tax Equal/Review Comm	Oper	86,789	86,789	0	0	86,789	86,789
#93	Tax Equal/Review Comm	Total	86,789	86,789	0	0	86,789	86,789
#94	Public Advocacy	Aid	3,842,355	3,842,355	0	0	3,842,355	3,842,355
#94	Public Advocacy	Oper	1,957,522	1,957,522	87,500	87,500	2,045,022	2,045,022
#94	Public Advocacy	Total	5,799,877	5,799,877	87,500	87,500	5,887,377	5,887,377
#95	Pea/Lentil	Oper	337,466	338,720	0	0	337,466	338,720
#95	Pea/Lentil	Total	337,466	338,720	0	0	337,466	338,720
	Construction-Reaffirm	Const	39,573,930	39,573,930	0	0	39,573,930	39,573,930
	Construction-New	Const	15,614,000	17,011,000	2,500,000	(2,500,000)	18,114,000	14,511,000
	Construction-Total	Total	55,187,930	56,584,930	2,500,000	(2,500,000)	57,687,930	54,084,930
TOTAL CASH FUNDS			5,927,654,442	6,013,352,954	104,950,396	113,200,119	6,032,604,838	6,126,553,073
OPERATIONS			2,511,074,344	2,510,407,017	33,744,245	54,359,035	2,544,818,589	2,564,766,052
STATE AID			3,361,392,168	3,446,361,007	68,706,151	61,341,084	3,430,098,319	3,507,702,091
CONSTRUCTION			55,187,930	56,584,930	2,500,000	(2,500,000)	57,687,930	54,084,930
TOTAL CASH FUNDS			5,927,654,442	6,013,352,954	104,950,396	113,200,119	6,032,604,838	6,126,553,073

Cash Fund Appropriations by Aid Program

Table 49 Total Cash Fund Appropriations by Aid Program

Agency	Aid Program	Type	Per 2025 Session		Per 2026 Session		Adj Total FY2025-26	Adj Total FY2026-27
			Enacted FY2025-26	Enacted FY2026-27	Adj FY2025-26	Adj FY2026-27		
Supreme Court	Parenting Plan mediation	Ind/Other	500,000	500,000	0	0	500,000	500,000
Courts	Dispute resolution	Ind/Other	270,000	270,000	0	0	270,000	270,000
Treasurer	Mutual Finance Assistance	Local	8,060,000	8,060,000	0	0	8,060,000	8,060,000
Treasurer	Inland Port Authority	Local	25,000,000	25,000,000	0	0	25,000,000	25,000,000
Treasurer	Sports Arena Facility	Local	4,500,000	4,500,000	0	0	4,500,000	4,500,000
Treasurer	Convention Center Facility	Local	7,100,000	7,100,000	0	0	7,100,000	7,100,000
Education	Career and Technical Education	Local	4,959,040	4,959,040	0	0	4,959,040	4,959,040
Education	Foundation Aid (TEEOSA)	Local	112,977,519	113,571,200	0	(1,374,327)	112,977,519	112,196,873
Education	Special Education	Local	291,390,830	309,839,863	0	(18,449,033)	291,390,830	291,390,830
Education	Extraordinary Increases Special Ed	Local	2,500,000	2,500,000	0	0	2,500,000	2,500,000
Education	School mapping	Local	525,000	0	0	0	525,000	0
Education	Teacher Apprenticeship	Local	1,000,000	1,000,000	0	0	1,000,000	1,000,000
Education	Teacher Recruitment & Retention	Local	5,000,000	5,000,000	0	0	5,000,000	5,000,000
Education	Aid to ESU's for regional coaches	Local	1,851,467	1,851,467	0	0	1,851,467	1,851,467
Education	Dyslexia Research Grant	Local	0	0	0	0	0	0
Education	School Security Fund grants	Local	0	0	0	0	0	0
Education	Education Innovation aid	Local	10,807,362	10,807,362	0	0	10,807,362	10,807,362
Education	Early Childhood Aid	Local	3,740,938	3,740,938	2,000,000	2,000,000	5,740,938	5,740,938
Education	High School Equivalency Grant	Local	50,000	50,000	0	0	50,000	50,000
Education	Hunger-Free Schools	Local	0	0	0	1,151,180	0	1,151,180
PSC	Dual Party Relay System	Ind/Other	0	0	0	0	0	0
PSC	Enhanced Wireless 911	Ind/Other	8,500,000	8,500,000	0	0	8,500,000	8,500,000
PSC	Universal Services Fund	Ind/Other	84,000,000	84,000,000	0	0	84,000,000	84,000,000
PSC	Natural Gas Regulation	Ind/Other	185,000	185,000	0	0	185,000	185,000
Revenue	School Property Relief	Local	780,000,000	808,000,000	18,000,000	0	798,000,000	808,000,000
Revenue	Property Tax Credit	Local	464,000,000	490,000,000	3,700,000	0	467,700,000	490,000,000
Revenue	Compulsive Gamblers	Ind/Other	1,150,000	1,150,000	(1,150,000)	(1,150,000)	0	0
Revenue	Cash Device Aid	Local	0	0	1,900,000	2,100,000	1,900,000	2,100,000

Agency	Aid Program	Type	Per 2025 Session				Per 2026 Session	
			Enacted	Enacted	Adj	Adj	Adj Total	Adj Total
			FY2025-26	FY2026-27	FY2025-26	FY2026-27	FY2025-26	FY2026-27
Labor	Workforce Development	Ind/Other	9,883,387	9,880,259	0	4,000,000	9,883,387	13,880,259
Labor	Unemployment Insurance Aid	Ind/Other	1,600,000	1,600,000	0	0	1,600,000	1,600,000
DMV	Ignition Interlock	Ind/Other	68,000	68,000	0	0	68,000	68,000
DHHS	Opioid Recovery Aid	Ind/Other	11,840,351	11,840,351	0	0	11,840,351	11,840,351
DHHS	Behavioral Health Aid	Ind/Other	12,079,500	11,579,500	300,000	870,000	12,379,500	12,449,500
DHHS	Medical student assistance/RHOP	Ind/Other	3,906,815	3,906,815	0	0	3,906,815	3,906,815
DHHS	Nursing student/faculty ast	Ind/Other	20,000	20,000	0	0	20,000	20,000
DHHS	CHIP	Ind/Other	15,859,883	21,852,339	0	0	15,859,883	21,852,339
DHHS	CHIP - Hospital Assessment	Ind/Other	0	0	36,000,000	36,000,000	36,000,000	36,000,000
DHHS	Medicaid	Ind/Other	168,149,875	217,569,950	(450,000)	958,364	167,699,875	218,528,314
DHHS	Medicaid - Hospital Assessment	Ind/Other	632,500,000	632,500,000	0	0	632,500,000	632,500,000
DHHS	Public Assistance	Ind/Other	5,360,000	5,360,000	0	(810,000)	5,360,000	4,550,000
DHHS	Child Care Subsidy	Ind/Other	0	0	0	10,708,959	0	10,708,959
DHHS	Child abuse prevention	Ind/Other	598,000	598,000	0	0	598,000	598,000
DHHS	Child Welfare Letters of Agreement	Ind/Other	0	0	0	3,883,432	0	3,883,432
DHHS	Domestic Violence Services	Ind/Other	3,830,000	4,135,000	0	(850,000)	3,830,000	3,285,000
DHHS	Developmental disabilities aid	Ind/Other	23,367,913	23,367,913	0	900,000	23,367,913	24,267,913
DHHS	Public Health aid	Ind/Other	9,339,000	9,730,000	(650,000)	(150,000)	8,689,000	9,580,000
DHHS	Health aid	Ind/Other	20,325,817	20,325,817	0	8,000	20,325,817	20,333,817
DHHS	Aging Services	Ind/Other	2,000,000	2,000,000	(1,500,000)	(1,500,000)	500,000	500,000
DHHS	Stem cell research grants	Ind/Other	436,500	436,500	0	0	436,500	436,500
DHHS	Cancer research	Ind/Other	3,291,113	3,291,113	0	0	3,291,113	3,291,113
DHHS	Biomedical research	Ind/Other	15,000,000	15,000,000	(1,150,000)	(5,000,000)	13,850,000	10,000,000
NDOT	Civil Air patrol	Ind/Other	40,200	40,200	0	0	40,200	40,200
NDOT	Public Airports	Local	59,348,300	51,348,300	0	0	59,348,300	51,348,300
NDOT	Local Transit	Local	6,312,705	6,312,705	0	0	6,312,705	6,312,705
Military Dept	Governors Emergency Program	Local	250,000	250,000	0	0	250,000	250,000
Military Dept	Women Veterans plates	Ind/Other	0	0	0	13,500	0	13,500
Game & Parks	Environmental Trust	Local	25,750,000	25,750,000	0	0	25,750,000	25,750,000
Game & Parks	Habitat Development	Ind/Other	1,725,000	1,725,000	0	0	1,725,000	1,725,000
Game & Parks	Wildlife Conservation	Ind/Other	585,000	585,000	0	0	585,000	585,000
Game & Parks	Niobrara council	Ind/Other	1,000	1,000	0	0	1,000	1,000
Game & Parks	Standing Bear museum grant	Ind/Other	750,000	0	0	0	750,000	0

Agency	Aid Program	Type	Per 2025 Session		Per 2026 Session		Adj Total FY2025-26	Adj Total FY2026-27
			Enacted FY2025-26	Enacted FY2026-27	Adj FY2025-26	Adj FY2026-27		
Racing & Gaming	Track Distribution	Ind/Other	120,000	120,000	0	0	120,000	120,000
Racing & Gaming	Gaming Tax	Local	20,000,000	20,000,000	0	0	20,000,000	20,000,000
Corrections	Preapprenticeship/ training programs	Ind/Other	500,000	500,000	0	0	500,000	500,000
Corrections	Rentry/restorative justice grants	Ind/Other	7,800,000	4,300,000	0	0	7,800,000	4,300,000
Coord. Comm	Opportunity Grant	Ind/Other	17,854,872	17,854,872	260,000	0	18,114,872	17,854,872
Coord. Comm	Higher Education Aid	Ind/Other	4,555,200	4,555,200	0	0	4,555,200	4,555,200
Coord. Comm	Guaranty Recovery	Ind/Other	8,000	8,000	0	0	8,000	8,000
St Colleges	Scholarships	Ind/Other	2,949,538	2,949,538	0	0	2,949,538	2,949,538
State Patrol	Back the Blue aid	Ind/Other	0	0	0	500	0	500
Arts Council	Aid to arts programs	Ind/Other	314,000	314,000	0	0	314,000	314,000
Arts Council	Cultural Preservation Endow Fund	Ind/Other	1,372,500	1,372,500	0	0	1,372,500	1,372,500
DED	Youth Outdoor Rec Grant	Ind/Other	0	0	0	0	0	0
DED	Municipality Infrastructure Act	Local	0	0	0	0	0	0
DED	Housing/Community Development	Ind/Other	19,726,860	5,023,140	0	0	19,726,860	5,023,140
DED	Affordable Housing	Ind/Other	14,000,000	14,000,000	0	6,000,000	14,000,000	20,000,000
DED	Shovel Ready	Ind/Other	0	0	0	0	0	0
DED	Training/CHIPS	Local	0	0	0	0	0	0
DED	Project REACH	Ind/Other	25,500,000	0	(1,000,000)	0	24,500,000	0
DED	Industrial Recruitment Aid	Ind/Other	6,339,197	6,339,197	0	2,000,000	6,339,197	8,339,197
DED	Imagine revolving loans	Ind/Other	4,000,000	0	0	0	4,000,000	0
DED	Business Innovation	Ind/Other	0	0	0	13,900,000	0	13,900,000
DED	Transformational Projects Grant	Ind/Other	50,000,000	50,000,000	0	0	50,000,000	50,000,000
DED	Economic Recovery Act grants	Ind/Other	27,448,770	27,448,770	0	0	27,448,770	27,448,770
DED	Civic/Convention Finance Aid	Local	5,397,775	5,397,775	0	0	5,397,775	5,397,775
Crime Comm	Community Based Juvenile Services Grants	Local	0	0	500,000	0	500,000	0
Crime Comm	Crime Victims reparations	Ind/Other	353,474	353,474	(353,474)	(353,474)	0	0
Crime Comm	Violence Prevention Grants	Ind/Other	25,000	25,000	(25,000)	(25,000)	0	0
Crime Comm	Violence Prevention, Victim Assistance, Reparations	Ind/Other	0	0	1,369,634	778,474	1,369,634	778,474
Blind/Vis Impaired	Blind rehabilitation	Ind/Other	10,000	10,000	0	0	10,000	10,000

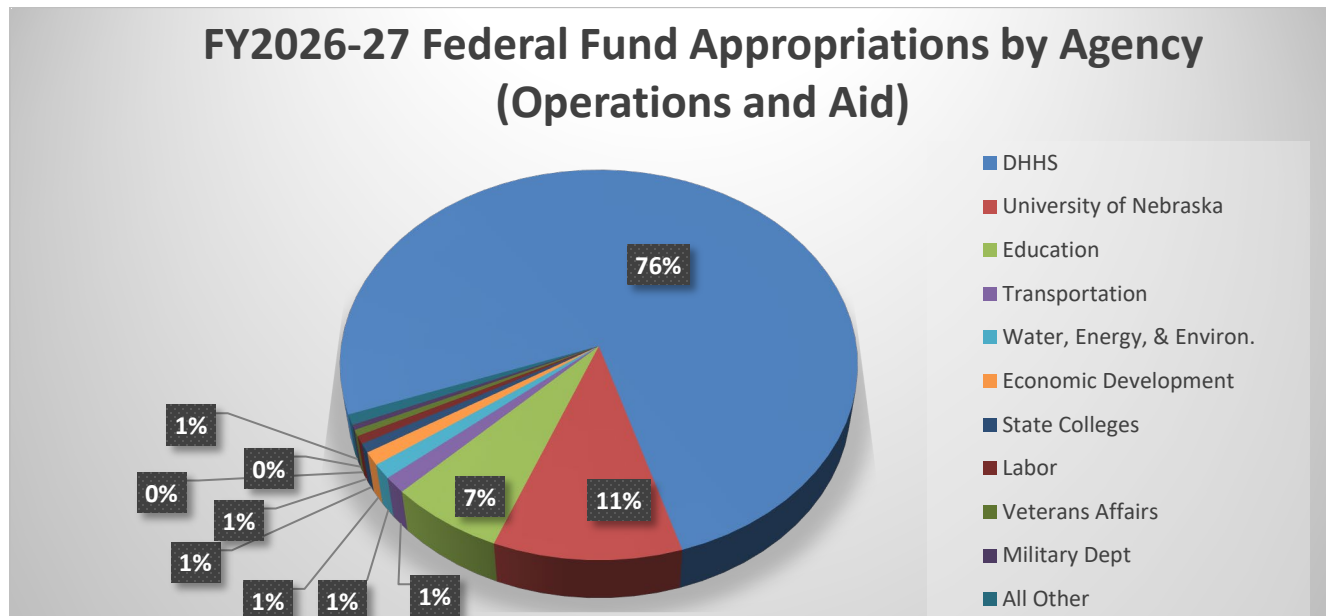
Agency	Aid Program	Type	Per 2025 Session		Per 2026 Session		Adj Total FY2025-26	Adj Total FY2026-27
			Enacted FY2025-26	Enacted FY2026-27	Adj FY2025-26	Adj FY2026-27		
Comm Colleges	Comm College Levy Reduction	Local	265,988,849	279,288,291	5,457,627	5,730,509	271,446,476	285,018,800
DWEE	Energy assistance	Ind/Other	564,562	564,562	0	0	564,562	564,562
DWEE	Nebr Water Conservation Fund	Local	2,050,000	2,050,000	0	0	2,050,000	2,050,000
DWEE	Decommissioning water wells	Local	70,000	70,000	0	0	70,000	70,000
DWEE	Natural Resources Water Quality Fund	Local	1,187,500	1,187,500	0	0	1,187,500	1,187,500
DWEE	Water Sustainability Fund	Local	0	0	5,172,364	0	5,172,364	0
DWEE	Critical Infrastructure facilities	Local	0	0	0	0	0	0
DWEE	Soil/Water Conservation	Local	7,450,000	7,450,000	0	0	7,450,000	7,450,000
DWEE	Environmental Quality Grants	Local	18,645,601	18,645,601	0	0	18,645,601	18,645,601
DWEE	Wastewater treatment	Local	0	0	0	0	0	0
DWEE	Safe Drinking Water	Local	0	0	0	0	0	0
Tourism Comm	Tourism grant program	Ind/Other	852,600	852,600	325,000	0	1,177,600	852,600
Public Advocacy	Legal Services Aid	Local	3,402,355	3,402,355	0	0	3,402,355	3,402,355
Public Advocacy	Civil Legal Services	Ind/Other	290,000	290,000	0	0	290,000	290,000
Public Advocacy	Rural practice loan repayments	Ind/Other	150,000	150,000	0	0	150,000	150,000
	TOTAL		3,361,212,168	3,446,181,007	68,706,151	61,341,084	3,429,918,319	3,507,522,091

FEDERAL FUND APPROPRIATIONS

Of the 78 state agencies appropriated funds in the enacted budget, 30 are appropriated federal funds. Over three-fourths of these federal funds (76%) are appropriated to the Department of Health and Human Services. The University’s federal funds comprise another 11%, and the State Department of Education, 7%. The remaining 6% of total federal fund appropriations are to the other 27 agencies. Total federal fund appropriations in FY2025-26 and FY2026-27 are close to \$7 billion per year.

Table 50 Ranking of Agencies: Total Federal Funds Appropriations

FEDERAL FUNDS	FY2021-22	FY2022-23	FY2023-24	FY2024-25	FY2025-26	FY2026-27	FY27 Rank	% of Total
DHHS	2,491,713,789	3,187,518,485	3,291,637,804	4,684,422,945	5,302,069,897	5,285,545,120	1	75.8%
University	546,201,594	626,320,000	550,020,000	752,550,000	752,550,000	752,550,000	2	10.8%
Education	648,476,216	486,693,389	416,102,834	422,217,785	457,948,120	458,446,626	3	6.6%
Transportation	0	3,280,310	20,332,043	0	139,960,000	93,640,000	4	1.3%
Water, Energy, & Env.	42,729,716	73,001,264	48,447,011	48,881,694	83,724,502	84,213,154	5	1.2%
Economic Dev.	50,500,215	550,342,013	76,897,205	75,694,093	75,695,560	75,759,959	6	1.1%
State Colleges	48,049,900	60,120,000	52,120,000	52,120,000	52,120,000	52,120,000	7	0.7%
Labor	41,885,334	52,497,303	48,549,827	48,763,229	49,623,278	45,759,269	8	0.7%
Veterans Affairs	22,870,637	23,992,462	25,438,762	26,680,304	35,038,678	35,500,305	9	0.5%
Military Dept	25,681,502	31,665,030	27,682,880	28,184,067	28,938,893	29,230,671	10	0.4%
All Other	59,767,198	171,355,109	246,541,847	66,440,809	63,276,988	59,704,310		0.9%
Total - Federal Funds	3,977,876,101	5,266,785,365	4,803,770,213	6,205,954,926	7,040,945,916	6,972,469,414		100.0%
\$ Change	400,663,443	1,288,909,264	(463,015,152)	1,402,184,713	834,990,990	(68,476,502)		
% Change	11.2%	32.4%	-8.8%	29.2%	13.5%	-1.0%		

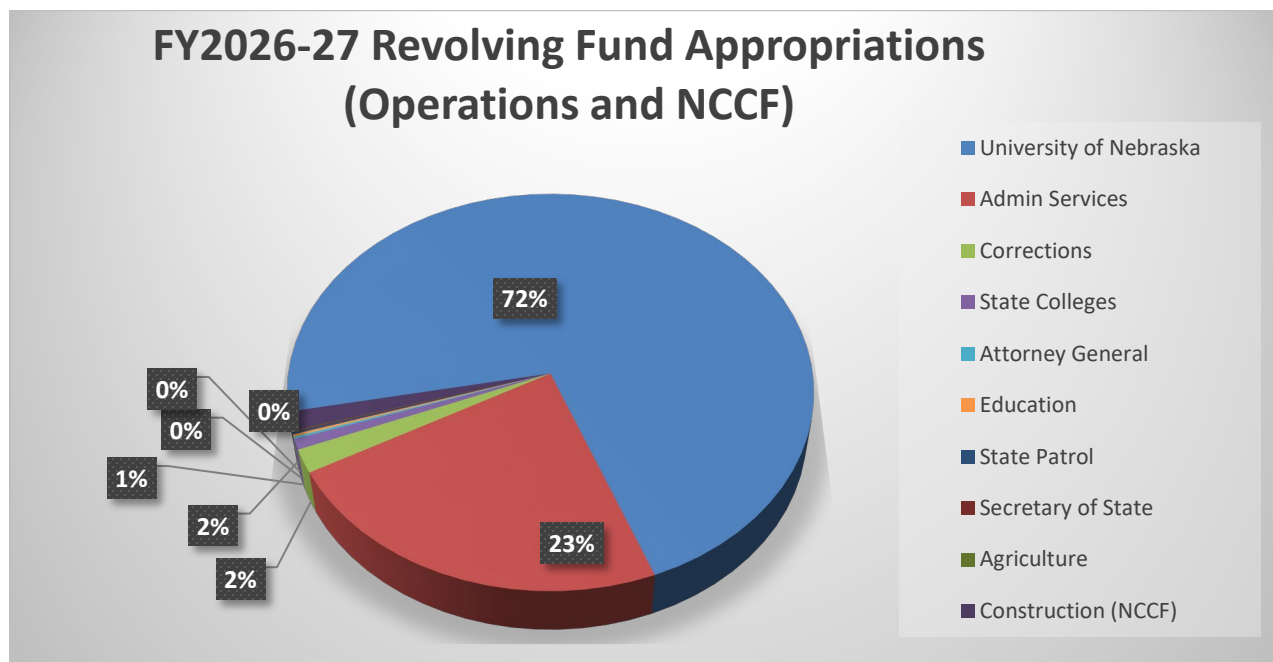


REVOLVING FUND APPROPRIATIONS

Of the 78 state agencies appropriated funds in the enacted budget, only nine are appropriated revolving funds. The University reports about 72% of total state revolving funds, which are funds collected from various services and charges and are not appropriated by the state. The Department of Administrative Services is appropriated about 23% of all revolving funds. For purposes of this section, funds appropriated from the Nebraska Capital Construction Fund are included, and such funds rank fourth, with 1.5% of the total.

Table 51 Ranking of Agencies: Total Revolving Funds Appropriations (Includes Nebraska Capital Construction Fund (NCCF))

REVOLVING / OTHER	FY2021-22	FY2022-23	FY2023-24	FY2024-25	FY2025-26	FY2026-27	FY27 Rank	% of Total
University	651,100,000	809,290,000	809,290,000	891,350,000	891,350,000	891,350,000	1	72.2%
Admin Services	254,803,737	261,125,803	290,619,389	285,420,841	323,085,896	283,195,842	2	22.9%
Corrections	21,346,108	22,049,079	22,440,386	22,760,256	23,085,942	23,421,644	3	1.9%
State Colleges	9,286,232	10,239,058	10,239,058	10,564,000	10,564,000	10,564,000	5	0.9%
Attorney General	1,702,282	1,878,733	2,002,584	2,093,308	2,165,109	2,237,497	6	0.2%
Education	2,008,029	2,025,315	2,072,237	2,107,325	2,137,568	2,168,734	7	0.2%
State Patrol	1,487,136	1,653,002	1,773,775	1,880,909	1,986,146	2,052,504	8	0.2%
Secretary of State	974,120	983,597	1,009,325	1,028,648	1,039,142	1,049,637	9	0.1%
Agriculture	397,359	404,062	424,822	435,436	447,306	454,347	10	0.0%
Construction (NCCF)	49,158,000	85,303,459	150,163,580	151,881,800	181,863,191	18,870,000	4	1.5%
Total - Revolving/Other Funds	995,503,003	1,197,292,108	1,290,035,156	1,369,522,523	1,437,724,300	1,235,364,205		100.0%
\$ Change	21,666,214	201,789,105	92,743,048	79,487,367	68,201,777	(202,360,095)		
% Change	2.2%	20.3%	7.7%	6.2%	5.0%	-14.1%		



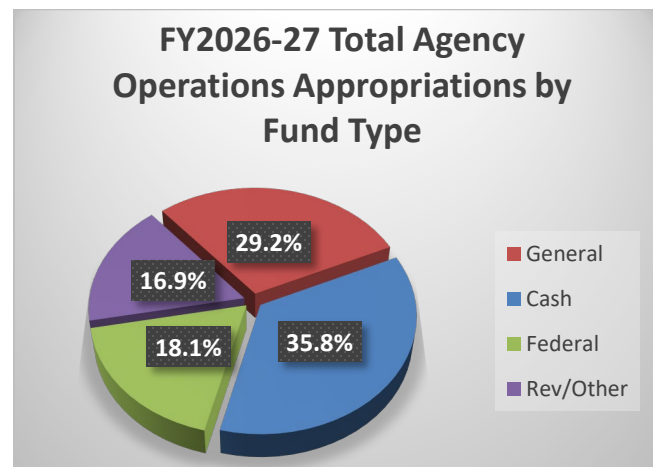
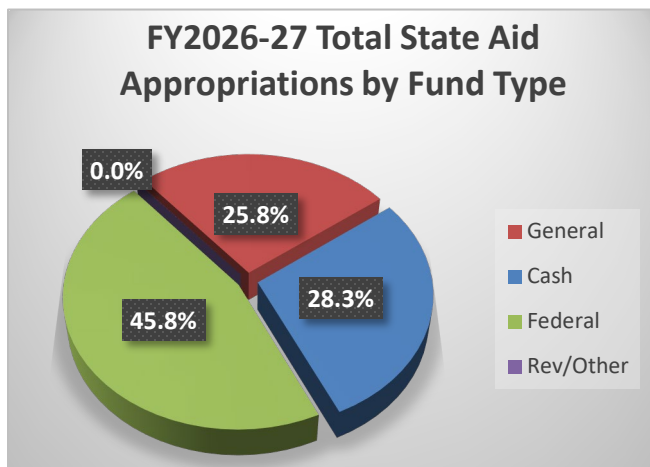
APPROPRIATIONS – ALL FUNDS

Total appropriations for all funds types for FY2026-27 is \$19,939,620,677 and for FY2026-27 is \$19,649,009,290. For FY2026-27, almost 84% of the total funds are appropriated to five agencies: the Department of Health and Human Services (DHHS), the University of Nebraska, the State Department of Education, the Department of Transportation, and the Department of Revenue.

Table 52 Ranking of Agencies: Total Appropriations All Fund Types

TOTAL FUNDS	FY2022-23	FY2023-24	FY2024-25	FY2025-26	FY2026-27	FY27 Rank	% of Total
DHHS	5,228,870,154	5,548,472,644	7,517,788,030	8,344,332,272	8,338,002,655	1	42.4%
University	2,573,602,807	2,515,399,512	2,863,800,337	2,868,171,043	2,872,541,750	2	14.6%
Education	1,844,590,454	2,130,342,287	2,096,768,311	2,245,155,728	2,204,816,792	3	11.2%
Revenue	497,857,640	581,934,167	1,379,957,555	1,496,797,433	1,541,722,391	4	7.8%
Transportation	1,069,034,923	1,292,211,298	1,290,638,524	1,502,529,431	1,459,710,306	5	7.4%
Corrections	324,737,748	378,025,062	389,348,204	407,709,490	400,102,002	6	2.0%
Community Colleges	124,804,330	111,939,172	360,616,597	390,563,187	399,135,511	7	2.0%
Admin Services	276,413,322	304,754,246	299,894,049	337,248,817	297,680,087	8	1.5%
Supreme Court	222,512,558	238,095,159	251,762,479	258,151,539	263,993,686	9	1.3%
Economic Dev.	857,714,695	462,719,706	361,270,425	260,440,682	225,601,680	10	1.1%
Water, Energy, Env.	119,073,032	108,795,078	98,851,120	225,938,530	219,573,049	11	1.1%
State Colleges	179,512,737	176,822,673	182,523,084	184,820,977	186,893,693	12	1.0%
Game and Parks	124,575,924	125,351,107	133,698,380	143,506,996	143,623,242	13	0.7%
State Patrol	100,318,469	118,204,404	126,826,086	126,065,241	128,234,924	14	0.7%
Public Service	117,647,758	139,441,335	140,458,906	115,428,662	116,201,699	15	0.6%
Veterans Affairs	108,984,379	90,977,919	97,810,539	105,211,566	111,091,313	16	0.6%
Construction	326,167,149	262,509,313	263,030,163	265,284,369	94,258,858	17	0.5%
Labor	56,793,362	63,022,012	63,236,345	64,423,685	67,345,955	18	0.3%
Treasurer	22,901,083	21,211,870	61,376,599	51,572,699	52,672,322	19	0.3%
Motor Vehicles	40,100,977	43,749,372	42,459,157	58,769,897	48,197,284	20	0.2%
All Other	721,794,020	770,739,312	577,508,039	487,498,433	477,610,091		2.4%
Total - All Funds	14,938,007,521	15,484,717,648	18,599,622,929	19,939,620,677	19,649,009,290		100.0%

* University of Nebraska total funds in Table 39 includes fund types (cash, federal, revolving) reported in the agency's biennial budget request document, but not appropriated by the Legislature pursuant to Board of Regents v. Exon (1977).



The following table shows the total appropriations included in the enacted budget by fund type.

Table 53 Enacted Budget – All Funds

FY2025-26	General	Cash	Federal	Rev/Other	Total
<i>Appropriations Committee Preliminary</i>	5,532,120,123	5,757,640,160	6,910,419,595	1,365,560,892	19,565,740,770
Post-Hearing adjustments	2,894,438	84,200,013	(40,893,385)	70,190,658	116,391,724
<i>Appropriations Committee to Floor</i>	5,535,014,561	5,841,840,173	6,869,526,210	1,435,751,550	19,682,132,494
Floor Amendments	(51,947,451)	14,456,558	0	0	(37,490,893)
<i>Mainline Budget Bills</i>	5,483,067,110	5,856,296,731	6,869,526,210	1,435,751,550	19,644,641,601
"A" Bills	1,484,834	71,357,710	122,450,703	0	195,293,247
Total Per 2025 Session	5,484,551,944	5,927,654,441	6,991,976,913	1,435,751,550	19,839,934,848
2026 Session-Committee Proposed	(51,697,837)	104,713,396	48,969,003	805,250	102,789,812
2026 Session Floor Actions	(5,204,092)	225,000	0	0	(4,979,092)
2026 Session State Claims	695,609	0	0	1,167,500	1,863,109
2026 Session "A" bills	0	12,000	0	0	12,000
<i>2026 Session Midbiennium Actions</i>	(56,206,320)	104,950,396	48,969,003	1,972,750	99,685,829
Final Total - 2026 Session	5,428,345,624	6,032,604,837	7,040,945,916	1,437,724,300	19,939,620,677
Change over prior year (without deficits)					
Dollar	70,823,963	317,236,942	786,021,987	66,229,027	1,240,311,919
Percent	1.3%	5.7%	12.7%	4.8%	6.7%
FY2026-27	General	Cash	Federal	Rev/Other	Total
<i>Appropriations Committee Preliminary</i>	5,609,523,418	5,792,565,158	6,841,026,055	1,235,560,804	19,478,675,435
Post-Hearing adjustments	(35,939,790)	75,080,549	(62,517,188)	537,699	(22,838,730)
<i>Appropriations Committee to Floor</i>	5,573,583,628	5,867,645,707	6,778,508,867	1,236,098,503	19,455,836,705
Floor Amendments	(55,188,075)	5,163,150	0	0	(50,024,925)
<i>Mainline Budget Bills</i>	5,518,395,553	5,872,808,857	6,778,508,867	1,236,098,503	19,405,811,780
"A" Bills	2,455,628	140,544,097	249,280,051	0	392,279,776
Total Per 2025 Session	5,520,851,181	6,013,352,954	7,027,788,918	1,236,098,503	19,798,091,556
2026 Session-Committee Proposed	(182,215,971)	67,356,219	(55,878,739)	(734,298)	(171,472,789)
2026 Session Floor Actions	(3,658,798)	9,951,789	8,655,555	0	14,948,546
2026 Session "A" bills	(20,353,813)	35,892,111	(8,096,320)	0	7,441,978
<i>2026 Session Midbiennium Actions</i>	(206,228,582)	113,200,119	(55,319,504)	(734,298)	(149,082,265)
Total Per 2026 Session	5,314,622,599	6,126,553,073	6,972,469,414	1,235,364,205	19,649,009,291
Change over prior year (without deficits)					
Dollar	(113,723,025)	93,948,236	(68,476,502)	(202,360,095)	(290,611,386)
Percent	-2.1%	1.6%	-1.0%	-14.1%	-1.5%

Table 54 Appropriations by Operations and Aid – All Funds

FY2024-25 (w/o deficits)	General	Cash	Federal	Rev/Other	Total
Agency Operations	2,128,670,186	2,400,753,231	1,284,887,421	1,216,270,952	7,030,581,790
State Aid	3,263,753,867	3,122,990,338	4,917,897,000	1,369,771	11,306,010,976
Capital Construction	21,303,928	86,673,930	3,170,505	151,881,800	263,030,163
Total	5,413,727,981	5,610,417,499	6,205,954,926	1,369,522,523	18,599,622,929
FY2025-26	General	Cash	Federal	Rev/Other	Total
<u>Per 2026 Session</u>					
Agency Operations	2,083,210,839	2,544,818,588	1,300,339,814	1,254,491,338	7,182,860,579
State Aid	3,323,580,857	3,430,098,319	5,736,426,782	1,369,771	12,491,475,729
Capital Construction	21,553,928	57,687,930	4,179,320	181,863,191	265,284,369
Total	5,428,345,624	6,032,604,837	7,040,945,916	1,437,724,300	19,939,620,677
<u>Change over prior year</u>					
Agency Operations	(45,459,347)	144,065,357	15,452,393	38,220,386	152,278,789
State Aid	59,826,990	307,107,981	818,529,782	0	1,185,464,753
Capital Construction	250,000	(28,986,000)	1,008,815	29,981,391	2,254,206
Dollar Change (w/out deficits)	14,617,643	422,187,338	834,990,990	68,201,777	1,339,997,748
Percent Change (w/out deficits)	0.3%	7.5%	13.5%	5.0%	7.2%
FY2026-27	General	Cash	Federal	Rev/Other	Total
<u>Per 2026 Session</u>					
Agency Operations	2,095,968,349	2,564,766,051	1,295,189,994	1,215,124,434	7,171,048,828
State Aid	3,197,350,322	3,507,702,091	5,677,279,420	1,369,771	12,383,701,604
Capital Construction	21,303,928	54,084,930	0	18,870,000	94,258,858
Total	5,314,622,599	6,126,553,072	6,972,469,414	1,235,364,205	19,649,009,290
<u>Change over prior year</u>					
Agency Operations	12,757,510	19,947,463	(5,149,820)	(39,366,904)	(11,811,751)
State Aid	(126,230,535)	77,603,772	(59,147,362)	0	(107,774,125)
Capital Construction	(250,000)	(3,603,000)	(4,179,320)	(162,993,191)	(171,025,511)
Dollar Change (w/out deficits)	(113,723,025)	93,948,235	(68,476,502)	(202,360,095)	(290,611,387)
Percent Change (w/out deficits)	-2.1%	1.6%	-1.0%	-14.1%	-1.5%
Two Yr Average % Change	-0.9%	4.5%	6.0%	-5.0%	2.8%

Table 55 Appropriations by Bill – All Funds

FY2025-26	General	Cash	Federal	Rev/Other	Total
LB 261 Mainline Budget Bill	5,444,216,329	5,854,501,871	6,869,526,210	1,435,751,550	19,603,995,960
LB 262 Legislator Salaries	632,982	0	0	0	632,982
LB 263 Constitutional Officers Salaries	38,217,799	1,694,860	0	0	39,912,659
Mainline Bills	5,483,067,110	5,856,196,731	6,869,526,210	1,435,751,550	19,644,541,601
2025 A Bills	1,484,834	71,357,710	122,450,703	0	195,293,247
Total per 2025 Session	5,484,551,944	5,927,554,441	6,991,976,913	1,435,751,550	19,839,834,848
LB 1071 Midbiennium adjustments	(56,901,929)	102,438,396	48,969,003	805,250	95,310,720
State Claims	695,609	0	0	1,167,500	1,863,109
2026 A Bills	0	12,000	0	0	12,000
Final Total (with deficits)	5,428,345,624	6,030,004,837	7,040,945,916	1,437,724,300	19,937,020,677
FY2026-27	General	Cash	Federal	Rev/Other	Total
LB 261 Mainline Budget Bill	5,479,068,807	5,871,075,587	6,776,808,975	1,236,098,503	19,363,051,872
LB 262 Legislator Salaries	632,982	0	0	0	632,982
LB 263 Constitutional Officers Salaries	38,693,764	1,733,270	1,699,892	0	42,126,926
Mainline Bills	5,518,395,553	5,872,808,857	6,778,508,867	1,236,098,503	19,405,811,780
2025 A Bills	2,455,628	140,544,097	249,280,051	0	392,279,776
Total per 2025 Session	5,520,851,181	6,013,352,954	7,027,788,918	1,236,098,503	19,798,091,556
LB 1071 Midbiennium adjustments	(185,874,769)	79,808,008	(47,223,184)	(734,298)	(154,024,243)
State Claims	0	0	0	0	0
2026 A Bills	(20,353,813)	35,892,111	(8,096,320)	0	7,441,978
Total per 2026 Session	5,314,622,599	6,129,053,073	6,972,469,414	1,235,364,205	19,651,509,291

Table 56 A Bills – All Funds – 2026 Session

Bill	Ag #	FY 2025-26				FY 2026-27				
		General	Cash	Federal	Rev.	General	Cash	Federal	Rev.	Total
LB 304	25	0	0	0	0	0	3,157,170	0	0	0
LB 365	25	0	0	0	0	9,634	0	15,476	0	0
LB 803	16	0	0	0	0	1,287,868	0	0	0	81,300
LB 815	16	0	0	0	0	0	137,300	0	0	99,500
LB 820	85	0	0	0	0	0	15,000	0	0	0
LB 838	16	0	0	0	0	523,247	0	0	0	99,500
LB 912	25	0	0	0	0	187,151	40,000	0	0	115,740
LB 966	13	0	0	0	0	55,638	1,151,180	0	0	0
LB 972	16	0	0	0	0	72,400	0	0	0	50,700
LB 972	24	0	0	0	0	0	521,520	0	0	0
LB 972	25	0	0	0	0	0	900,000	0	0	0
LB 972	31	0	0	0	0	0	13,500	0	0	0
LB 972	64	0	0	0	0	0	500	0	0	0
LB 1001	16	0	0	0	0	0	(3,217,273)	0	0	(154,334)
LB 1001	36	0	0	0	0	0	3,217,273	0	0	154,334
LB 1075	87	0	12,000	0	0	0	25,000	0	0	0
LB 1126	14	0	0	0	0	0	675,000	0	0	0
LB 1133	65	695,609	0	0	1,167,500	0	0	0	0	0
LB 1165	72	0	0	0	0	0	2,000,000	0	0	0
LB 1209	16	0	0	0	0	(1,871,418)	3,330,920	0	0	305,500
LB 1209	23	0	0	0	0	(779,383)	7,500,000	0	0	0
LB 1209	25	0	0	0	0	(6,761,317)	470,000	(8,111,796)	0	0
LB 1209	35	0	0	0	0	(300,000)	300,000	0	0	0
LB 1209	64	0	0	0	0	113,706	85,500	0	0	76,889
LB 1209	72	0	0	0	0	(11,951,550)	15,000,000	0	0	0
LB 1209	84	0	0	0	0	(640,000)	532,271	0	0	0
LB 1209	85	0	0	0	0	(1,221,208)	7,500	0	0	0
LB 1236	3	0	0	0	0	0	25,000	0	0	0
LB 1237	3	0	0	0	0	Lapse	0	0	0	0
LB 1237	64	0	0	0	0	871,419	0	0	0	415,990
LB 1237	65	0	0	0	0	50,000	0	0	0	0
LB 1261	74	0	0	0	0	0	4,750	0	0	0
TOTAL		695,609	12,000	0	1,167,500	(20,353,813)	35,892,111	(8,096,320)	0	1,245,119

Appropriations by Agency – All Funds

Table 57 Appropriations by Agency – Enacted Budget FY2025-26 and FY2026-27

	Fund	W/out Deficits	Approp	Approp	FY26 vs Prior Year		FY27 vs Prior Year	
		FY2024-25	FY2025-26	FY2026-27	\$ Change	% Change	\$ Change	% Change
3 Legislative Council	Gen	27,929,882	29,860,174	31,700,965	1,930,292	6.9%	1,840,791	6.2%
	Cash	285,434	370,200	395,000	84,766	29.7%	24,800	6.7%
	Fed	39,270	39,270	39,270	0	0.0%	0	0.0%
	Rev	0	0	0	0	na	0	na
	Total	28,254,586	30,269,644	32,135,235	2,015,058	7.1%	1,865,591	6.2%
5 Supreme Court	Gen	233,085,953	232,758,343	238,690,533	(327,610)	-0.1%	5,932,190	2.5%
	Cash	17,726,718	24,421,210	24,308,662	6,694,492	37.8%	(112,548)	-0.5%
	Fed	949,808	971,986	994,491	22,178	2.3%	22,505	2.3%
	Rev	0	0	0	0	na	0	na
	Total	251,762,479	258,151,539	263,993,686	6,389,060	2.5%	5,842,147	2.3%
7 Governor	Gen	2,211,929	2,211,929	2,211,929	0	0.0%	0	0.0%
	Cash	0	0	0	0	na	0	na
	Fed	0	0	0	0	na	0	na
	Rev	0	0	0	0	na	0	na
	Total	2,211,929	2,211,929	2,211,929	0	0.0%	0	0.0%
8 Lt. Governor	Gen	160,748	160,748	160,748	0	0.0%	0	0.0%
	Cash	0	0	0	0	na	0	na
	Fed	0	0	0	0	na	0	na
	Rev	0	0	0	0	na	0	na
	Total	160,748	160,748	160,748	0	0.0%	0	0.0%
9 Secretary of State	Gen	3,279,347	3,217,731	3,280,183	(61,616)	-1.9%	62,452	1.9%
	Cash	8,325,842	9,572,035	9,385,898	1,246,193	15.0%	(186,137)	-1.9%
	Fed	1,239,818	1,239,818	1,239,818	0	0.0%	0	0.0%
	Rev	1,028,648	1,039,142	1,049,637	10,494	1.0%	10,495	1.0%
	Total	13,873,655	15,068,726	14,955,536	1,195,071	8.6%	(113,190)	-0.8%
10 Auditor	Gen	3,989,059	4,484,179	4,916,768	495,120	12.4%	432,589	9.6%
	Cash	2,787,609	2,863,287	2,940,900	75,678	2.7%	77,613	2.7%
	Fed	0	0	0	0	na	0	na
	Rev	0	0	0	0	na	0	na
	Total	6,776,668	7,347,466	7,857,668	570,798	8.4%	510,202	6.9%

	Fund	W/out Deficits FY2024-25	Approp FY2025-26	Approp FY2026-27	FY26 vs Prior Year		FY27 vs Prior Year	
					\$ Change	% Change	\$ Change	% Change
11 Attorney General	Gen	8,061,298	8,899,115	8,841,772	837,817	10.4%	(57,343)	-0.6%
	Cash	7,908,683	8,118,856	8,522,033	210,173	2.7%	403,177	5.0%
	Fed	1,874,825	1,917,370	1,961,254	42,545	2.3%	43,884	2.3%
	Rev	2,093,308	2,165,109	2,237,497	71,801	3.4%	72,388	3.3%
	Total	19,938,114	21,100,450	21,562,556	1,162,336	5.8%	462,106	2.2%
12 Treasurer	Gen	11,220,027	1,167,378	1,169,002	(10,052,649)	-89.6%	1,624	0.1%
	Cash	48,267,864	48,563,152	49,661,151	295,288	0.6%	1,097,999	2.3%
	Fed	1,888,708	1,842,169	1,842,169	(46,539)	-2.5%	0	0.0%
	Rev	0	0	0	0	na	0	na
	Total	61,376,599	51,572,699	52,672,322	(9,803,900)	-16.0%	1,099,623	2.1%
13 Education	Gen	1,317,692,990	1,343,074,818	1,302,554,262	25,381,828	1.9%	(40,520,556)	-3.0%
	Cash	354,750,211	441,995,222	441,647,170	87,245,011	24.6%	(348,052)	-0.1%
	Fed	422,217,785	457,948,120	458,446,626	35,730,335	8.5%	498,506	0.1%
	Rev	2,107,325	2,137,568	2,168,734	30,243	1.4%	31,166	1.5%
	Total	2,096,768,311	2,245,155,728	2,204,816,792	148,387,417	7.1%	(40,338,936)	-1.8%
14 Public Service Commission	Gen	23,505,409	2,636,459	2,527,550	(20,868,950)	-88.8%	(108,909)	-4.1%
	Cash	113,921,435	112,792,203	113,674,149	(1,129,232)	-1.0%	881,946	0.8%
	Fed	3,032,062	0	0	(3,032,062)	-100.0%	0	na
	Rev	0	0	0	0	na	0	na
	Total	140,458,906	115,428,662	116,201,699	(25,030,244)	-17.8%	773,037	0.7%
15 Parole Board	Gen	1,608,545	1,656,272	1,705,797	47,727	3.0%	49,525	3.0%
	Cash	0	0	0	0	na	0	na
	Fed	0	0	0	0	na	0	na
	Rev	0	0	0	0	na	0	na
	Total	1,608,545	1,656,272	1,705,797	47,727	3.0%	49,525	3.0%
16 Revenue	Gen	183,314,429	182,192,178	178,447,581	(1,122,251)	-0.6%	(3,744,597)	-2.1%
	Cash	1,196,643,126	1,314,605,255	1,363,274,810	117,962,129	9.9%	48,669,555	3.7%
	Fed	0	0	0	0	na	0	na
	Rev	0	0	0	0	na	0	na
	Total	1,379,957,555	1,496,797,433	1,541,722,391	116,839,878	8.5%	44,924,958	3.0%

	Fund	W/out Deficits	Approp	Approp	FY26 vs Prior Year		FY27 vs Prior Year	
		FY2024-25	FY2025-26	FY2026-27	\$ Change	% Change	\$ Change	% Change
18 Agriculture	Gen	7,417,428	6,350,625	5,412,255	(1,066,803)	-14.4%	(938,370)	-14.8%
	Cash	9,451,729	10,404,992	11,434,871	953,263	10.1%	1,029,879	9.9%
	Fed	4,556,258	4,648,359	4,711,663	92,101	2.0%	63,304	1.4%
	Rev	435,436	447,306	454,347	11,870	2.7%	7,041	1.6%
	Total	21,860,851	21,851,282	22,013,136	(9,569)	0.0%	161,854	0.7%
19 Banking	Gen	0	0	0	0	na	0	na
	Cash	9,944,458	10,177,235	10,129,519	232,777	2.3%	(47,716)	-0.5%
	Fed	0	0	0	0	na	0	na
	Rev	0	0	0	0	na	0	na
	Total	9,944,458	10,177,235	10,129,519	232,777	2.3%	(47,716)	-0.5%
21 Fire Marshal	Gen	5,685,061	4,709,573	4,260,507	(975,488)	-17.2%	(449,066)	-9.5%
	Cash	5,128,389	6,473,330	7,270,661	1,344,941	26.2%	797,331	12.3%
	Fed	510,769	812,402	795,206	301,633	59.1%	(17,196)	-2.1%
	Rev	0	0	0	0	na	0	na
	Total	11,324,219	11,995,305	12,326,374	671,086	5.9%	331,069	2.8%
22 Insurance	Gen	0	0	0	0	na	0	na
	Cash	13,440,090	13,765,486	13,765,486	325,396	2.4%	0	0.0%
	Fed	1,457,703	1,457,703	1,457,703	0	0.0%	0	0.0%
	Rev	0	0	0	0	na	0	na
	Total	14,897,793	15,223,189	15,223,189	325,396	2.2%	0	0.0%
23 Labor	Gen	739,805	764,157	0	24,352	3.3%	(764,157)	-100.0%
	Cash	13,733,311	14,036,250	21,586,686	302,939	2.2%	7,550,436	53.8%
	Fed	48,763,229	49,623,278	45,759,269	860,049	1.8%	(3,864,009)	-7.8%
	Rev	0	0	0	0	na	0	na
	Total	63,236,345	64,423,685	67,345,955	1,187,340	1.9%	2,922,270	4.5%
24 Motor Vehicles	Gen	0	0	0	0	na	0	na
	Cash	42,410,711	58,721,451	48,148,838	16,310,740	38.5%	(10,572,613)	-18.0%
	Fed	48,446	48,446	48,446	0	0.0%	0	0.0%
	Rev	0	0	0	0	na	0	na
	Total	42,459,157	58,769,897	48,197,284	16,310,740	38.4%	(10,572,613)	-18.0%

	Fund	W/out Deficits	Approp	Approp	FY26 vs Prior Year		FY27 vs Prior Year	
		FY2024-25	FY2025-26	FY2026-27	\$ Change	% Change	\$ Change	% Change
25 DHHS System	Gen	1,929,003,793	2,004,248,752	1,947,947,169	75,244,959	3.9%	(56,301,583)	-2.8%
	Cash	904,361,292	1,038,013,623	1,104,510,366	133,652,331	14.8%	66,496,743	6.4%
	Fed	4,684,422,945	5,302,069,897	5,285,545,120	617,646,952	13.2%	(16,524,777)	-0.3%
	Rev	0	0	0	0	na	0	na
	Total	7,517,788,030	8,344,332,272	8,338,002,655	826,544,242	11.0%	(6,329,617)	-0.1%
27 Transportation	Gen	0	0	0	0	na	0	na
	Cash	1,290,638,524	1,362,569,431	1,366,070,306	71,930,907	5.6%	3,500,875	0.3%
	Fed	0	139,960,000	93,640,000	139,960,000	na	(46,320,000)	-33.1%
	Rev	0	0	0	0	na	0	na
	Total	1,290,638,524	1,502,529,431	1,459,710,306	211,890,907	16.4%	(42,819,125)	-2.8%
28 Veterans Affairs	Gen	54,893,760	47,303,622	52,869,198	(7,590,138)	-13.8%	5,565,576	11.8%
	Cash	16,236,475	22,869,266	22,721,810	6,632,791	40.9%	(147,456)	-0.6%
	Fed	26,680,304	35,038,678	35,500,305	8,358,374	31.3%	461,627	1.3%
	Rev	0	0	0	0	na	0	na
	Total	97,810,539	105,211,566	111,091,313	7,401,027	7.6%	5,879,747	5.6%
29 Natural Resources	Gen	12,634,538	0	0	(12,634,538)	-100.0%	0	na
	Cash	89,523,805	0	0	(89,523,805)	-100.0%	0	na
	Fed	2,144,722	0	0	(2,144,722)	-100.0%	0	na
	Rev	0	0	0	0	na	0	na
	Total	104,303,065	0	0	(104,303,065)	-100.0%	0	na
30 Electrical Board	Gen	0	0	0	0	na	0	na
	Cash	2,567,470	2,758,509	2,425,319	191,039	7.4%	(333,190)	-12.1%
	Fed	0	0	0	0	na	0	na
	Rev	0	0	0	0	na	0	na
	Total	2,567,470	2,758,509	2,425,319	191,039	7.4%	(333,190)	-12.1%
31 Military Dept	Gen	14,587,004	11,061,909	11,070,098	(3,525,095)	-24.2%	8,189	0.1%
	Cash	1,359,835	2,366,593	1,387,071	1,006,758	74.0%	(979,522)	-41.4%
	Fed	28,184,067	28,938,893	29,230,671	754,826	2.7%	291,778	1.0%
	Rev	0	0	0	0	na	0	na
	Total	44,130,906	42,367,395	41,687,840	(1,763,511)	-4.0%	(679,555)	-1.6%

	Fund	W/out Deficits FY2024-25	Approp FY2025-26	Approp FY2026-27	FY26 vs Prior Year		FY27 vs Prior Year	
					\$ Change	% Change	\$ Change	% Change
32 Ed Lands & Funds	Gen	481,080	488,895	506,252	7,815	1.6%	17,357	3.6%
	Cash	21,144,887	21,233,721	21,330,498	88,834	0.4%	96,777	0.5%
	Fed	0	0	0	0	na	0	na
	Rev	0	0	0	0	na	0	na
	Total	21,625,967	21,722,616	21,836,750	96,649	0.4%	114,134	0.5%
33 Game and Parks	Gen	13,385,147	8,385,147	8,385,147	(5,000,000)	-37.4%	0	0.0%
	Cash	111,859,082	126,658,817	126,766,440	14,799,735	13.2%	107,623	0.1%
	Fed	8,454,151	8,463,032	8,471,655	8,881	0.1%	8,623	0.1%
	Rev	0	0	0	0	na	0	na
	Total	133,698,380	143,506,996	143,623,242	9,808,616	7.3%	116,246	0.1%
34 Library Commission	Gen	4,633,591	4,703,141	4,808,189	69,550	1.5%	105,048	2.2%
	Cash	45,484	45,484	45,484	0	0.0%	0	0.0%
	Fed	1,640,891	1,665,236	1,702,221	24,345	1.5%	36,985	2.2%
	Rev	0	0	0	0	na	0	na
	Total	6,319,966	6,413,861	6,555,894	93,895	1.5%	142,033	2.2%
35 Liquor Commission	Gen	2,009,807	2,885,293	2,714,207	875,486	43.6%	(171,086)	-5.9%
	Cash	70,719	600,000	400,000	529,281	748.4%	(200,000)	-33.3%
	Fed	0	0	0	0	na	0	na
	Rev	0	0	0	0	na	0	na
	Total	2,080,526	3,485,293	3,114,207	1,404,767	67.5%	(371,086)	-10.6%
36 Racing & Gaming Commission	Gen	0	0	0	0	na	0	na
	Cash	6,404,722	26,941,610	30,344,699	20,536,888	320.7%	3,403,089	12.6%
	Fed	0	0	0	0	na	0	na
	Rev	0	0	0	0	na	0	na
	Total	6,404,722	26,941,610	30,344,699	20,536,888	320.7%	3,403,089	12.6%
37 Workers Compensation Court	Gen	0	0	0	0	na	0	na
	Cash	7,168,933	7,865,508	7,212,144	696,575	9.7%	(653,364)	-8.3%
	Fed	64,358	64,358	64,358	0	0.0%	0	0.0%
	Rev	0	0	0	0	na	0	na
	Total	7,233,291	7,929,866	7,276,502	696,575	9.6%	(653,364)	-8.2%

	Fund	W/out Deficits FY2024-25	Approp FY2025-26	Approp FY2026-27	FY26 vs Prior Year		FY27 vs Prior Year	
					\$ Change	% Change	\$ Change	% Change
39 Brand Committee	Gen	0	0	0	0	na	0	na
	Cash	6,331,108	6,567,682	6,802,519	236,574	3.7%	234,837	3.6%
	Fed	0	0	0	0	na	0	na
	Rev	0	0	0	0	na	0	na
	Total	6,331,108	6,567,682	6,802,519	236,574	3.7%	234,837	3.6%
40 Motor Vehicle Dealers	Gen	0	0	0	0	na	0	na
	Cash	936,862	1,044,970	1,151,294	108,108	11.5%	106,324	10.2%
	Fed	0	0	0	0	na	0	na
	Rev	0	0	0	0	na	0	na
	Total	936,862	1,044,970	1,151,294	108,108	11.5%	106,324	10.2%
41 Real Estate Commission	Gen	0	0	0	0	na	0	na
	Cash	1,536,168	1,718,907	1,770,297	182,739	11.9%	51,390	3.0%
	Fed	0	0	0	0	na	0	na
	Rev	0	0	0	0	na	0	na
	Total	1,536,168	1,718,907	1,770,297	182,739	11.9%	51,390	3.0%
45 Barber Examiners	Gen	0	0	0	0	na	0	na
	Cash	199,101	210,264	219,773	11,163	5.6%	9,509	4.5%
	Fed	0	0	0	0	na	0	na
	Rev	0	0	0	0	na	0	na
	Total	199,101	210,264	219,773	11,163	5.6%	9,509	4.5%
46 Correctional Services	Gen	356,905,164	366,437,476	366,994,058	9,532,312	2.7%	556,582	0.2%
	Cash	7,386,125	15,886,125	7,386,125	8,500,000	115.1%	(8,500,000)	-53.5%
	Fed	2,296,659	2,299,947	2,300,175	3,288	0.1%	228	0.0%
	Rev	22,760,256	23,085,942	23,421,644	325,686	1.4%	335,702	1.5%
	Total	389,348,204	407,709,490	400,102,002	18,361,286	4.7%	(7,607,488)	-1.9%
47 Educational Telecomm.	Gen	11,557,557	11,663,625	11,783,983	106,068	0.9%	120,358	1.0%
	Cash	340,097	340,097	340,097	0	0.0%	0	0.0%
	Fed	0	0	0	0	na	0	na
	Rev	0	0	0	0	na	0	na
	Total	11,897,654	12,003,722	12,124,080	106,068	0.9%	120,358	1.0%

Fund	W/out Deficits FY2024-25	Approp FY2025-26	Approp FY2026-27	FY26 vs Prior Year		FY27 vs Prior Year		
				\$ Change	% Change	\$ Change	% Change	
48 Postsecondary Coord Comm	Gen	19,168,456	17,917,220	18,132,498	(1,251,236)	-6.5%	215,278	1.2%
	Cash	20,515,131	23,086,278	22,839,642	2,571,147	12.5%	(246,636)	-1.1%
	Fed	0	0	0	0	na	0	na
	Rev	0	0	0	0	na	0	na
	Total	39,683,587	41,003,498	40,972,140	1,319,911	3.3%	(31,358)	-0.1%
50 Nebraska State Colleges	Gen	72,780,555	75,078,448	77,151,164	2,297,893	3.2%	2,072,716	2.8%
	Cash	47,058,529	47,058,529	47,058,529	0	0.0%	0	0.0%
	Fed	52,120,000	52,120,000	52,120,000	0	0.0%	0	0.0%
	Rev	10,564,000	10,564,000	10,564,000	0	0.0%	0	0.0%
	Total	182,523,084	184,820,977	186,893,693	2,297,893	1.3%	2,072,716	1.1%
51 University of Nebraska	Gen	699,313,062	703,683,768	708,054,475	4,370,706	0.6%	4,370,707	0.6%
	Cash	520,587,275	520,587,275	520,587,275	0	0.0%	0	0.0%
	Fed	752,550,000	752,550,000	752,550,000	0	0.0%	0	0.0%
	Rev	891,350,000	891,350,000	891,350,000	0	0.0%	0	0.0%
	Total	2,863,800,337	2,868,171,043	2,872,541,750	4,370,706	0.2%	4,370,707	0.2%
52 Board of Agriculture	Gen	0	0	0	0	na	0	na
	Cash	4,500,000	5,000,000	5,000,000	500,000	11.1%	0	0.0%
	Fed	0	0	0	0	na	0	na
	Rev	0	0	0	0	na	0	na
	Total	4,500,000	5,000,000	5,000,000	500,000	11.1%	0	0.0%
53 Real Property Appraiser Brd	Gen	0	0	0	0	na	0	na
	Cash	444,285	499,060	506,518	54,775	12.3%	7,458	1.5%
	Fed	0	0	0	0	na	0	na
	Rev	0	0	0	0	na	0	na
	Total	444,285	499,060	506,518	54,775	12.3%	7,458	1.5%
54 Historical Society	Gen	5,286,038	4,560,434	4,740,434	(725,604)	-13.7%	180,000	3.9%
	Cash	2,954,012	3,856,010	3,936,427	901,998	30.5%	80,417	2.1%
	Fed	940,921	987,580	1,030,275	46,659	5.0%	42,695	4.3%
	Rev	0	0	0	0	na	0	na
	Total	9,180,971	9,404,024	9,707,136	223,053	2.4%	303,112	3.2%

Fund	W/out Deficits FY2024-25	Approp FY2025-26	Approp FY2026-27	FY26 vs Prior Year		FY27 vs Prior Year	
				\$ Change	% Change	\$ Change	% Change
56 Nebraska	Gen	0	0	0	na	0	na
Wheat	Cash	1,680,797	1,697,031	1,709,812	16,234	12,781	0.8%
Board	Fed	0	0	0	na	0	na
	Rev	0	0	0	na	0	na
	Total	1,680,797	1,697,031	1,709,812	16,234	12,781	0.8%
57 Oil & Gas	Gen	75,000	0	0	(75,000)	0	na
Commission	Cash	1,392,633	1,434,241	1,471,352	41,608	37,111	2.6%
	Fed	84,633	87,133	89,360	2,500	2,227	2.6%
	Rev	0	0	0	0	0	na
	Total	1,552,266	1,521,374	1,560,712	(30,892)	39,338	2.6%
58 Engineers	Gen	0	0	0	0	0	na
Architects	Cash	953,937	993,075	1,025,208	39,138	32,133	3.2%
	Fed	0	0	0	0	0	na
	Rev	0	0	0	0	0	na
	Total	953,937	993,075	1,025,208	39,138	32,133	3.2%
59 Geologists	Gen	0	0	0	0	0	na
Board	Cash	33,998	35,324	35,892	1,326	568	1.6%
	Fed	0	0	0	0	0	na
	Rev	0	0	0	0	0	na
	Total	33,998	35,324	35,892	1,326	568	1.6%
60 Ethanol	Gen	0	0	0	0	0	na
Board	Cash	853,481	872,078	891,276	18,597	19,198	2.2%
	Fed	0	0	0	0	0	na
	Rev	0	0	0	0	0	na
	Total	853,481	872,078	891,276	18,597	19,198	2.2%
61 Dairy	Gen	0	0	0	0	0	na
Board	Cash	1,640,000	1,640,000	1,640,000	0	0	0.0%
	Fed	0	0	0	0	0	na
	Rev	0	0	0	0	0	na
	Total	1,640,000	1,640,000	1,640,000	0	0	0.0%

	Fund	W/out Deficits FY2024-25	Approp FY2025-26	Approp FY2026-27	FY26 vs Prior Year		FY27 vs Prior Year		
					\$ Change	% Change	\$ Change	% Change	
62	Land Surveyors	Gen Cash Fed Rev Total	0 30,874 0 0 30,874	0 30,874 0 0 30,874	0 0 0 0 0	na 0.0% na na 0.0%	0 0 0 0 0	na 0.0% na na 0.0%	
63	Public Accountancy	Gen Cash Fed Rev Total	0 480,274 0 0 480,274	0 496,109 0 0 496,109	0 507,807 0 0 507,807	0 15,835 0 0 15,835	na 3.3% na na 3.3%	0 11,698 0 0 11,698	na 2.4% na na 2.4%
64	State Patrol	Gen Cash Fed Rev Total	90,739,673 29,350,202 4,855,302 1,880,909 126,826,086	86,792,494 32,182,544 5,104,057 1,986,146 126,065,241	88,804,399 31,979,552 5,398,469 2,052,504 128,234,924	(3,947,179) 2,832,342 248,755 105,237 (760,845)	-4.4% 9.7% 5.1% 5.6% -0.6%	2,011,905 (202,992) 294,412 66,358 2,169,683	2.3% -0.6% 5.8% 3.3% 1.7%
65	Admin Services (DAS)	Gen Cash Fed Rev Total	9,932,076 4,541,132 0 285,420,841 299,894,049	9,558,878 4,604,043 0 323,085,896 337,248,817	9,802,472 4,681,773 0 283,195,842 297,680,087	(373,198) 62,911 0 37,665,055 37,354,768	-3.8% 1.4% na 13.2% 12.5%	243,594 77,730 0 (39,890,054) (39,568,730)	2.5% 1.7% na -12.3% -11.7%
66	Abstracter's Board	Gen Cash Fed Rev Total	0 56,266 0 0 56,266	0 56,266 0 0 56,266	0 56,266 0 0 56,266	0 0 0 0 0	na 0.0% na na 0.0%	0 0 0 0 0	na 0.0% na na 0.0%
67	Equal Opportunity Commission	Gen Cash Fed Rev Total	1,456,854 0 1,066,455 0 2,523,309	1,500,988 0 1,107,432 0 2,608,420	1,547,076 0 1,150,189 0 2,697,265	44,134 0 40,977 0 85,111	3.0% na 3.8% na 3.4%	46,088 0 42,757 0 88,845	3.1% na 3.9% na 3.4%

	Fund	W/out Deficits FY2024-25	Approp FY2025-26	Approp FY2026-27	FY26 vs Prior Year		FY27 vs Prior Year	
					\$ Change	% Change	\$ Change	% Change
68 Latino American Commission	Gen	299,086	304,402	309,869	5,316	1.8%	5,467	1.8%
	Cash	5,000	5,000	5,000	0	0.0%	0	0.0%
	Fed	0	0	0	0	na	0	na
	Rev	0	0	0	0	na	0	na
	Total	304,086	309,402	314,869	5,316	1.7%	5,467	1.8%
69 Arts Council	Gen	2,628,779	2,668,359	2,699,586	39,580	1.5%	31,227	1.2%
	Cash	1,834,763	1,834,763	1,834,763	0	0.0%	0	0.0%
	Fed	766,502	766,502	766,502	0	0.0%	0	0.0%
	Rev	0	0	0	0	na	0	na
	Total	5,230,044	5,269,624	5,300,851	39,580	0.8%	31,227	0.6%
70 Foster Care Review Board	Gen	3,086,432	3,204,985	3,321,679	118,553	3.8%	116,694	3.6%
	Cash	214,594	223,088	232,007	8,494	4.0%	8,919	4.0%
	Fed	521,561	521,561	521,561	0	0.0%	0	0.0%
	Rev	0	0	0	0	na	0	na
	Total	3,822,587	3,949,634	4,075,247	127,047	3.3%	125,613	3.2%
72 Economic Development	Gen	44,800,939	25,105,496	10,490,479	(19,695,443)	-44.0%	(14,615,017)	-58.2%
	Cash	240,775,393	159,639,626	139,351,242	(81,135,767)	-33.7%	(20,288,384)	-12.7%
	Fed	75,694,093	75,695,560	75,759,959	1,467	0.0%	64,399	0.1%
	Rev	0	0	0	0	na	0	na
	Total	361,270,425	260,440,682	225,601,680	(100,829,743)	-27.9%	(34,839,002)	-13.4%
73 Landscape Architects	Gen	0	0	0	0	na	0	na
	Cash	30,214	35,618	36,347	5,404	17.9%	729	2.0%
	Fed	0	0	0	0	na	0	na
	Rev	0	0	0	0	na	0	na
	Total	30,214	35,618	36,347	5,404	17.9%	729	2.0%
74 Power Review Board	Gen	0	0	0	0	na	0	na
	Cash	765,983	786,844	813,266	20,861	2.7%	26,422	3.4%
	Fed	0	0	0	0	na	0	na
	Rev	0	0	0	0	na	0	na
	Total	765,983	786,844	813,266	20,861	2.7%	26,422	3.4%

Fund	W/out Deficits FY2024-25	Approp FY2025-26	Approp FY2026-27	FY26 vs Prior Year		FY27 vs Prior Year		
				\$ Change	% Change	\$ Change	% Change	
75 Investment Council	Gen	0	0	0	na	0	na	
	Cash	3,389,706	3,879,362	3,980,063	489,656	14.4%	100,701	2.6%
	Fed	0	0	0	0	na	0	na
	Rev	0	0	0	0	na	0	na
	Total	3,389,706	3,879,362	3,980,063	489,656	14.4%	100,701	2.6%
76 Indian Affairs	Gen	295,530	312,630	323,801	17,100	5.8%	11,171	3.6%
	Cash	40,000	60,000	60,000	20,000	50.0%	0	0.0%
	Fed	0	0	0	0	na	0	na
	Rev	0	0	0	0	na	0	na
	Total	335,530	372,630	383,801	37,100	11.1%	11,171	3.0%
77 Industrial Relations	Gen	333,982	341,395	348,148	7,413	2.2%	6,753	2.0%
	Cash	0	0	0	0	na	0	na
	Fed	0	0	0	0	na	0	na
	Rev	0	0	0	0	na	0	na
	Total	333,982	341,395	348,148	7,413	2.2%	6,753	2.0%
78 Crime Commission	Gen	18,047,392	16,760,656	17,241,525	(1,286,736)	-7.1%	480,869	2.9%
	Cash	1,839,374	3,509,114	2,333,497	1,669,740	90.8%	(1,175,617)	-33.5%
	Fed	20,324,239	20,541,064	20,607,282	216,825	1.1%	66,218	0.3%
	Rev	0	0	0	0	na	0	na
	Total	40,211,005	40,810,834	40,182,304	599,829	1.5%	(628,530)	-1.5%
81 Blind and Visually Impaired	Gen	2,788,092	3,152,899	3,429,388	364,807	13.1%	276,489	8.8%
	Cash	148,746	148,746	148,746	0	0.0%	0	0.0%
	Fed	4,512,243	4,512,243	4,512,243	0	0.0%	0	0.0%
	Rev	0	0	0	0	na	0	na
	Total	7,449,081	7,813,888	8,090,377	364,807	4.9%	276,489	3.5%
82 Deaf and Hard of Hearing	Gen	1,211,665	1,264,949	1,312,784	53,284	4.4%	47,835	3.8%
	Cash	36,600	36,600	36,600	0	0.0%	0	0.0%
	Fed	0	0	0	0	na	0	na
	Rev	0	0	0	0	na	0	na
	Total	1,248,265	1,301,549	1,349,384	53,284	4.3%	47,835	3.7%

Fund	W/out Deficits FY2024-25	Approp FY2025-26	Approp FY2026-27	FY26 vs Prior Year		FY27 vs Prior Year		
				\$ Change	% Change	\$ Change	% Change	
83 Community Colleges	Gen	114,116,711	119,116,711	114,116,711	5,000,000	4.4%	(5,000,000)	-4.2%
	Cash	246,499,886	271,446,476	285,018,800	24,946,590	10.1%	13,572,324	5.0%
	Fed	0	0	0	0	na	0	na
	Rev	0	0	0	0	na	0	na
	Total	360,616,597	390,563,187	399,135,511	29,946,590	8.3%	8,572,324	2.2%
84 Water, Energy, & Environment	Gen	6,783,302	14,895,914	14,780,914	8,112,612	119.6%	(115,000)	-0.8%
	Cash	43,186,124	127,318,114	120,578,981	84,131,990	194.8%	(6,739,133)	-5.3%
	Fed	48,881,694	83,724,502	84,213,154	34,842,808	71.3%	488,652	0.6%
	Rev	0	0	0	0	na	0	na
	Total	98,851,120	225,938,530	219,573,049	127,087,410	128.6%	(6,365,481)	-2.8%
85 Retirement Board	Gen	66,700,303	36,444,018	20,998,604	(30,256,285)	-45.4%	(15,445,414)	-42.4%
	Cash	8,876,139	9,099,639	9,056,139	223,500	2.5%	(43,500)	-0.5%
	Fed	0	0	0	0	na	0	na
	Rev	0	0	0	0	na	0	na
	Total	75,576,442	45,543,657	30,054,743	(30,032,785)	-39.7%	(15,488,914)	-34.0%
86 Dry Bean Board	Gen	0	0	0	0	na	0	na
	Cash	666,752	674,969	679,831	8,217	1.2%	4,862	0.7%
	Fed	0	0	0	0	na	0	na
	Rev	0	0	0	0	na	0	na
	Total	666,752	674,969	679,831	8,217	1.2%	4,862	0.7%
87 Accountability & Disclosure	Gen	673,169	754,672	644,602	81,503	12.1%	(110,070)	-14.6%
	Cash	302,827	567,309	602,742	264,482	87.3%	35,433	6.2%
	Fed	0	0	0	0	na	0	na
	Rev	0	0	0	0	na	0	na
	Total	975,996	1,321,981	1,247,344	345,985	35.4%	(74,637)	-5.6%
88 Nebraska Corn Board	Gen	0	0	0	0	na	0	na
	Cash	10,020,075	19,825,520	19,849,028	9,805,445	97.9%	23,508	0.1%
	Fed	0	0	0	0	na	0	na
	Rev	0	0	0	0	na	0	na
	Total	10,020,075	19,825,520	19,849,028	9,805,445	97.9%	23,508	0.1%

	Fund	W/out Deficits FY2024-25	Approp FY2025-26	Approp FY2026-27	FY26 vs Prior Year		FY27 vs Prior Year	
					\$ Change	% Change	\$ Change	% Change
89	Nebraska	Gen	0	0	0	na	0	na
	Hemp	Cash	10,000	0	(10,000)	-100.0%	0	na
	Commission	Fed	0	0	0	na	0	na
		Rev	0	0	0	na	0	na
		Total	10,000	0	(10,000)	-100.0%	0	na
90	African	Gen	287,760	297,507	9,747	3.4%	10,051	3.4%
	American	Cash	25,000	25,000	0	0.0%	0	0.0%
	Affairs	Fed	0	0	0	na	0	na
		Rev	0	0	0	na	0	na
		Total	312,760	322,507	9,747	3.1%	10,051	3.1%
91	Nebraska	Gen	0	0	0	na	0	na
	Tourism	Cash	9,083,744	10,464,826	1,381,082	15.2%	(269,261)	-2.6%
	Commission	Fed	0	0	0	na	0	na
		Rev	0	0	0	na	0	na
		Total	9,083,744	10,464,826	1,381,082	15.2%	(269,261)	-2.6%
92	Grain	Gen	0	0	0	na	0	na
	Sorghum	Cash	318,687	325,153	6,466	2.0%	4,207	1.3%
	Board	Fed	0	0	0	na	0	na
		Rev	0	0	0	na	0	na
		Total	318,687	325,153	6,466	2.0%	4,207	1.3%
93	Tax	Gen	1,481,966	1,462,018	1,504,435	(19,948)	42,417	2.9%
	Equalization	Cash	86,789	86,789	86,789	0	0	0.0%
	& Review	Fed	0	0	0	na	0	na
	(TERC)	Rev	0	0	0	na	0	na
		Total	1,568,755	1,548,807	1,591,224	(19,948)	42,417	2.7%
94	Public	Gen	0	0	0	0	0	na
	Advocacy	Cash	5,533,837	5,887,377	5,887,377	353,540	0	0.0%
		Fed	0	0	0	0	0	na
		Rev	0	0	0	0	0	na
		Total	5,533,837	5,887,377	5,887,377	353,540	0	0.0%

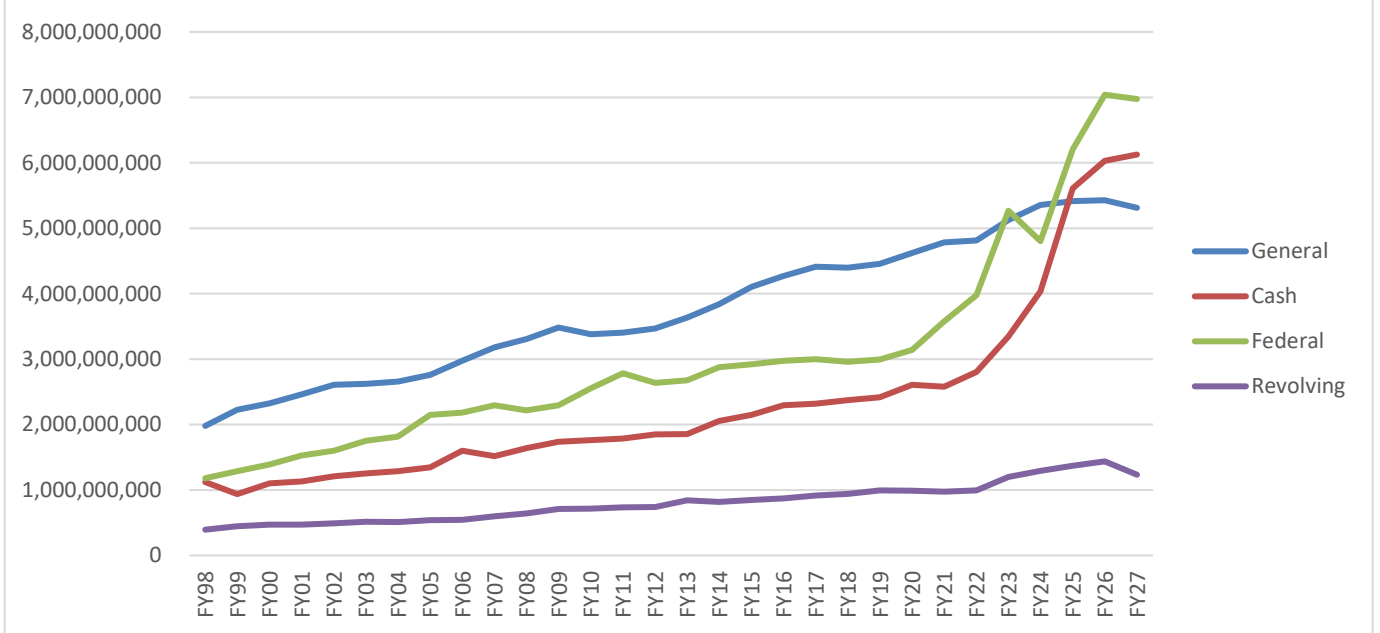
Fund	W/out Deficits FY2024-25	Approp FY2025-26	Approp FY2026-27	FY26 vs Prior Year		FY27 vs Prior Year	
				\$ Change	% Change	\$ Change	% Change
95 Dry Pea and Lentil Commission	Gen 0 Cash 144,211 Fed 0 Rev 0 Total 144,211	0 337,466 0 0 337,466	0 338,720 0 0 338,720	0 193,255 0 0 193,255	na 134.0% na na 134.0%	0 1,254 0 0 1,254	na 0.4% na na 0.4%
97 Asian Affairs Commission	Gen 143,880 Cash 0 Fed 0 Rev 0 Total 143,880	291,316 0 0 0 291,316	297,917 0 0 0 297,917	147,436 0 0 0 147,436	102.5% na na na 102.5%	6,601 0 0 0 6,601	2.3% na na na 2.3%
99 Capital Construction	Gen 21,303,928 Cash 86,673,930 Fed 3,170,505 Rev 151,881,800 Total 263,030,163	21,553,928 57,687,930 4,179,320 181,863,191 265,284,369	21,303,928 54,084,930 0 18,870,000 94,258,858	250,000 (28,986,000) 1,008,815 29,981,391 2,254,206	1.2% -33.4% 31.8% 19.7% 0.9%	(250,000) (3,603,000) (4,179,320) (162,993,191) (171,025,511)	-1.2% -6.2% -100.0% -89.6% -64.5%
STATE TOTALS	Gen 5,413,727,981 Cash 5,610,417,499 Fed 6,205,954,926 Rev 1,369,522,523 Total 18,599,622,929	5,428,345,624 6,032,604,837 7,040,945,916 1,437,724,300 19,939,620,677	5,314,622,599 6,126,553,072 6,972,469,414 1,235,364,205 19,649,009,290	14,617,643 422,187,338 834,990,990 68,201,777 1,339,997,748	0.3% 7.5% 13.5% 5.0% 7.2%	(113,723,025) 93,948,235 (68,476,502) (202,360,095) (290,611,387)	-2.1% 1.6% -1.0% -14.1% -1.5%

Historical Appropriations – All Funds

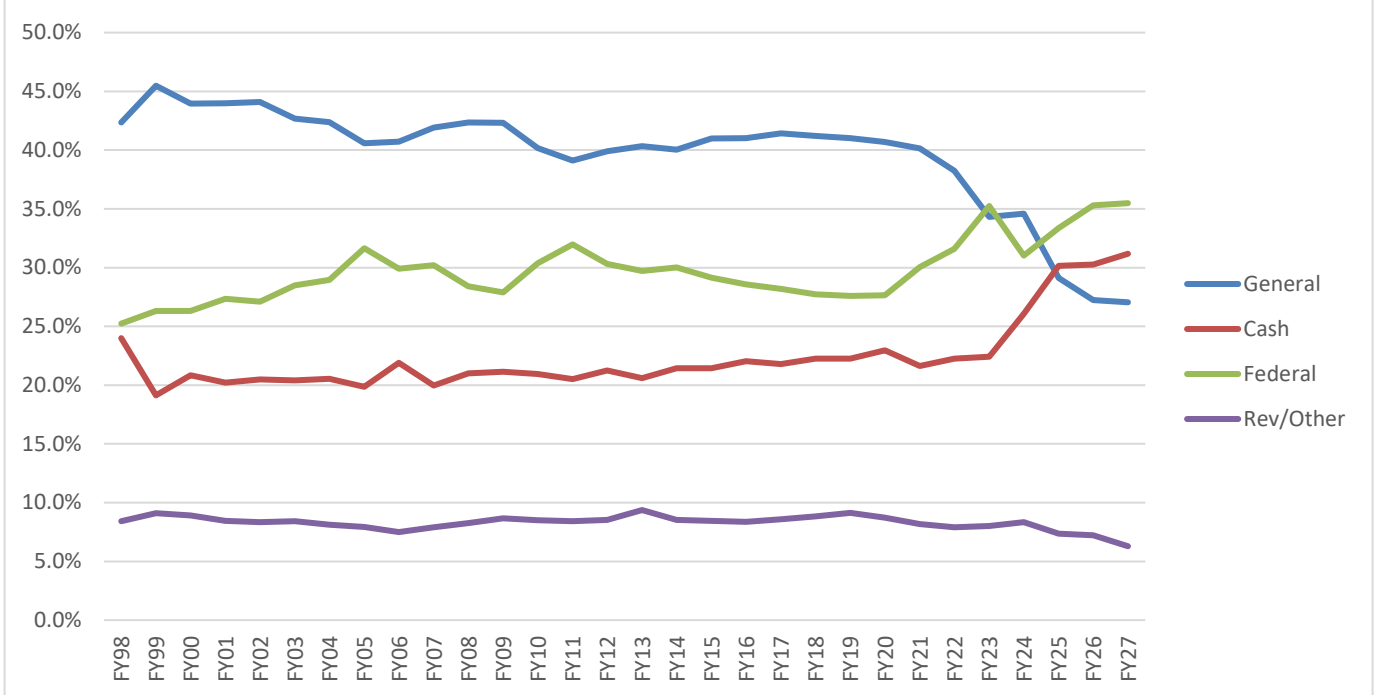
Table 58 Historical Appropriations – All Funds

	General	Cash	Federal	Rev/Other	Total
FY1997-98 Approp	1,979,767,634	1,121,968,313	1,179,866,825	393,815,064	4,675,417,836
FY1998-99 Approp	2,228,579,121	937,301,414	1,288,860,855	445,357,561	4,900,098,951
FY1999-00 Approp	2,323,943,947	1,100,726,077	1,390,725,054	470,160,784	5,285,555,862
FY2000-01 Approp	2,458,789,233	1,130,234,910	1,528,364,447	472,171,086	5,589,559,676
FY2001-02 Approp	2,606,951,336	1,210,661,243	1,602,142,264	492,780,254	5,912,535,097
FY2002-03 Approp	2,621,296,239	1,252,852,263	1,750,158,602	516,844,018	6,141,151,122
FY2003-04 Approp	2,655,289,608	1,285,728,367	1,814,045,740	509,307,018	6,264,370,733
FY2004-05 Approp	2,758,082,724	1,348,606,437	2,150,399,990	538,811,896	6,795,901,047
FY2005-06 Approp	2,972,439,069	1,599,561,441	2,183,758,870	546,381,840	7,302,141,220
FY2006-07 Approp	3,180,850,777	1,515,042,477	2,293,382,276	600,297,850	7,589,573,380
FY2007-08 Approp	3,305,700,963	1,637,701,761	2,215,900,086	643,850,466	7,803,153,276
FY2008-09 Approp	3,481,660,742	1,737,598,483	2,294,400,979	712,318,113	8,225,978,317
FY2009-10 Approp	3,380,864,343	1,762,003,199	2,554,199,664	716,159,796	8,413,227,002
FY2010-11 Approp	3,405,101,292	1,786,208,029	2,783,940,522	733,611,968	8,708,861,811
FY2011-12 Approp	3,470,531,929	1,848,428,337	2,636,058,658	740,656,170	8,695,675,094
FY2012-13 Approp	3,632,423,755	1,854,087,842	2,676,111,718	843,560,595	9,006,183,910
FY2013-14 Approp	3,838,168,907	2,054,629,664	2,875,826,694	816,730,442	9,585,355,707
FY2014-15 Approp	4,105,825,530	2,146,231,964	2,920,649,443	845,665,312	10,018,372,249
FY2015-16 Approp	4,271,803,869	2,293,125,964	2,974,745,612	871,770,089	10,411,445,534
FY2016-17 Approp	4,411,690,837	2,319,254,524	3,000,808,771	914,772,042	10,646,526,174
FY2017-18 Approp	4,398,012,616	2,374,171,987	2,958,412,067	941,490,554	10,672,087,224
FY2018-19 Approp	4,456,283,615	2,418,546,661	2,996,300,173	991,842,979	10,862,973,428
FY2019-20 Approp	4,624,671,858	2,607,858,637	3,140,010,262	990,474,195	11,363,014,952
FY2020-21 Approp	4,783,766,898	2,577,453,163	3,577,212,658	973,836,789	11,912,269,508
FY2021-22 Approp	4,815,373,072	2,803,645,227	3,977,876,101	995,503,003	12,592,397,403
FY2022-23 Approp	5,125,672,253	3,348,257,795	5,266,785,365	1,197,292,108	14,938,007,521
FY2023-24 Approp	5,354,643,703	4,036,268,576	4,803,770,213	1,290,035,156	15,484,717,648
FY2024-25 Approp	5,413,727,981	5,610,417,499	6,205,954,926	1,369,522,523	18,599,622,929
FY2025-26 Approp	5,428,345,624	6,032,604,837	7,040,945,916	1,437,724,300	19,939,620,677
FY2026-27 Approp	5,314,622,599	6,126,553,073	6,972,469,414	1,235,364,205	19,649,009,291
Average Annual Growth	General	Cash	Federal	Rev/Other	Total
FY26 / FY27 Biennium	-0.9%	4.5%	6.0%	-5.0%	2.8%
Avg FY07 to FY17 (10 yr)	3.3%	4.3%	2.7%	4.3%	3.4%
Avg FY17 to FY27 (10 yr)	1.9%	10.2%	8.8%	3.1%	6.3%
Avg FY07 to FY27 (20 yr)	2.6%	7.2%	5.7%	3.7%	4.9%

State Appropriations by Fund Type - 30 Year History



Percent of Total Appropriations by Fund Type - 30 Year History



CAPITAL CONSTRUCTION

The following table shows total enacted capital construction amounts by fund type.

Table 59 Enacted Budget – Construction by Fund Type

	2025 Enacted			2026 Session Changes			Per 2026 Session		
	Reaffirm	New Projects	Total	Reaffirm	New Projects	Total	Reaffirm	New Projects	Total
<u>FY2025-26</u>									
General Fund	21,303,928	250,000	21,553,928	0	0	0	21,303,928	250,000	21,553,928
Cash Funds	39,573,930	15,614,000	55,187,930	0	2,500,000	2,500,000	39,573,930	18,114,000	57,687,930
Federal Funds	0	4,179,320	4,179,320	0	0	0	0	4,179,320	4,179,320
Revolving/Other Funds	2,370,000	0	2,370,000	0	0	0	2,370,000	0	2,370,000
Nebr Capital Const Fund (NCCF)	168,333,886	11,159,305	179,493,191	0	0	0	168,333,886	11,159,305	179,493,191
FY23-24 Total	231,581,744	31,202,625	262,784,369	0	2,500,000	2,500,000	231,581,744	33,702,625	265,284,369
<u>FY2026-27</u>									
General Fund	21,303,928	0	21,303,928	0	0	0	21,303,928	0	21,303,928
Cash Funds	39,573,930	17,011,000	56,584,930	0	(2,500,000)	(2,500,000)	39,573,930	14,511,000	54,084,930
Federal Funds	0	0	0	0	0	0	0	0	0
Revolving/Other Funds	2,370,000	0	2,370,000	0	0	0	2,370,000	0	2,370,000
Nebr Capital Const Fund (NCCF)	10,000,000	6,500,000	16,500,000	0	0	0	10,000,000	6,500,000	16,500,000
FY24-25 Total	73,247,858	23,511,000	96,758,858	0	(2,500,000)	(2,500,000)	73,247,858	21,011,000	94,258,858
<u>FY2027-28</u>									
General Fund	21,303,928	750,000	22,053,928	0	0	0	21,303,928	750,000	22,053,928
Cash Funds	39,573,930	1,000,000	40,573,930	0	0	0	39,573,930	1,000,000	40,573,930
Federal Funds	0	0	0	0	0	0	0	0	0
Revolving/Other Funds	2,370,000	0	2,370,000	0	0	0	2,370,000	0	2,370,000
Nebr Capital Const Fund (NCCF)	0	0	0	0	0	0	0	0	0
FY25-26 Total	63,247,858	1,750,000	64,997,858	0	0	0	63,247,858	1,750,000	64,997,858
<u>FY2028-29</u>									
General Fund	21,303,928	750,000	22,053,928	0	0	0	21,303,928	750,000	22,053,928
Cash Funds	39,573,930	1,000,000	40,573,930	0	0	0	39,573,930	1,000,000	40,573,930
Federal Funds	0	0	0	0	0	0	0	0	0
Revolving/Other Funds	2,370,000	0	2,370,000	0	0	0	2,370,000	0	2,370,000
Nebr Capital Const Fund (NCCF)	0	0	0	0	0	0	0	0	0
FY26-27 Total	63,247,858	1,750,000	64,997,858	0	0	0	63,247,858	1,750,000	64,997,858
<u>Future</u>									
General Fund	629,527,624	13,500,000	643,027,624	0	0	0	629,527,624	13,500,000	643,027,624
Cash Funds	639,547,860	7,000,000	646,547,860	0	0	0	594,000,000	7,000,000	601,000,000
Federal Funds	0	0	0	0	0	0	0	0	0
Revolving/Other Funds	25,140,000	0	25,140,000	0	0	0	25,140,000	0	25,140,000
Nebr Capital Const Fund (NCCF)	0	0	0	0	0	0	0	0	0
Future Total	1,294,215,484	20,500,000	1,314,715,484	0	0	0	1,248,667,624	20,500,000	1,269,167,624

Of the General Funds appropriation amounts included in the enacted budget for capital construction, only \$250,000 is for a new project: amended provisions of LB 627 were included in the budget to appropriate \$250,000 in FY2025-26 only for a study related to the design and construction of a residential facility for nursing students and allied health professionals in Norfolk, NE. The budget also contains intent language to appropriate \$750,000 per year, beginning in FY2027-28, for the project for twenty years, which is an additional \$15 million over that time frame. In FY2026-27, 100% of General Funds are to cover the dollar amounts needed to complete funding of projects approved in previous sessions, commonly referred to as reaffirmations.

The enacted budget includes a transfer of \$45.897 million in FY2025-26 from the Cash Reserve Fund to the Nebraska Capital Construction Fund (NCCF) for multiple new projects and the final phase of the Capitol HVAC project.

Reaffirmations

Several projects are reaffirmed, including facilities funds for the State Colleges and University of Nebraska; the new multi-custody prison facility, and the final phase of the State Capitol HVAC project.

State College Facilities Program

The enacted budget includes \$1,125,000 General Funds and \$1,440,000 Revolving Funds each fiscal year. This is for continuation of funding approved for certain projects at each of the three State College campuses. LB 384 (2021) extended this annual state appropriation from the original sunset date of FY30 to a new sunset date in FY40. The NSCS Student Facility Fee generates \$1,440,000 in revolving funds annually, as matching funds for the annual state General Fund payments.

Board Facilities Fee Fund

The enacted budget includes \$930,000 Revolving Fund appropriation each fiscal year. This reaffirmation request is for continued appropriations for renovation or maintenance projects funded through the Capital Improvement Fee. The State College System has historically requested \$900,000 per year for these revolving funds that come from student fees. For the upcoming biennium, they will increase the spending to \$930,000, to maximize the use of increased fund balances.

Program 933 – CSC Rangeland Center (Math/Science Renov) - \$2,216,000 (G) each year

This is for continuation of funding for specified projects at Chadron State College. The \$2,216,000 annual General Fund appropriation was extended from original sunset date of FY30 to the new sunset date in FY40. This funding is used to satisfy bond payments.

Program 906 – NU Facilities Renewal

The reaffirmed General Fund appropriation for NU Facilities Renewal, Prog 906, is \$3,642,928 per year. The University matches this appropriation with \$4,500,000 in revolving funds that come from student fees. The new General Fund reappropriation beginning FY26 will be \$4,462,928 due to the \$820,000 General Fund appropriation from Prog. 930 being statutorily rolled into Prog. 906 effective July 1, 2025.

Program 920 – University of Nebraska Facilities Program

The reaffirmed General Fund appropriation for the University of Nebraska Facilities Prog. 920, is \$13.5 million per year. The University currently matches this with spending of \$13.5 million in cash funds coming from student fees. For the upcoming biennium, the \$13.5 million General Fund appropriation will be reaffirmed, and the University will increase its cash fund match by \$4.4 million to a total \$18 million. The General Fund appropriation and a University match of no less than \$13.5 million are scheduled to sunset at the end of FY62.

Prog 931 – Ag Innovation Facility

In 2022, LB 1011 provided for \$25 million to be transferred from the Nebraska Capital Construction Fund to the University of Nebraska Board of Regents (NU) for an Agricultural Innovation Facility by the end of FY2022-23. This was contingent upon NU certifying that \$25 million in matching funds had been received from private or nonstate sources. In this case, the nonstate source will be Federal funds, which have been delayed. The \$25 million was then reappropriated into the current biennium via LB814 (2023). The enacted budget includes reappropriation of the unexpended funds for the project.

Multi-Custody Penitentiary Facility and Correctional Service Upgrades

The Nebraska State Penitentiary (NSP), originally opened in 1869, is being replaced with a facility to address aging infrastructure and operational inefficiencies. The new facility will integrate contemporary correctional design focused on improving mental health, engagement, and overall well-being for inmates and staff, with comprehensive support services, including education, vocational training, healthcare, recreation, and rehabilitation programs. Project bidding is set for 2025, with completion anticipated by May 2028 and occupancy by June 2028. The enacted budget includes appropriating \$135 million in FY2025-26 and \$10 million in FY2026-27 to reaffirm the project.

Additionally, the enacted budget includes security system upgrades across facilities, including enhanced perimeter detection, video surveillance, and automated door controls to improve safety and operational efficiency. Appropriations Committee Budget recommendation includes funding for critical infrastructure and maintenance projects under Program 914, covering roof replacements, structural improvements, HVAC updates, and fire safety enhancements.

State Capitol HVAC Project

The enacted budget includes the original amount of \$5,886,886, plus an additional \$27,447,000 in FY2025-26, for a total of \$33.3 million to complete the state Capitol tower HVAC and update project. The contractor for the project provided an updated quote following an evaluation of the work required. A thorough evaluation of the was completed once the area was vacated and cost increases were identified. The additional funding will ensure the tower is completed to the same specifications as the other quadrants of the lower floors of the building, including window work and finishes such as painting and carpet. Funding for this is coming via a transfer from the Cash Reserve Fund into the Nebraska Capital Construction Fund and commensurate appropriation.

Water Recreation Enhancement Fund

The enacted budget includes transferring \$32.7 million out of the cash fund to the General Fund, leaving approximately \$55,082,087 in the Water Recreation Fund. The enacted budget reappropriates up to \$55,082,087 for program 965 (Water Recreation Enhancement) from FY2024-25 into the next biennium. The enacted budget also includes language added into section 37-1804, to state that the Water Recreation Enhancement Fund shall be utilized as follows: 2/3 to the Lewis and Clark SRA for a marina and parking lot and 1/3 to the Lake McConaughy SRA for infrastructure projects (specifically roads).

Table 60 Enacted Budget – Listing of Reaffirmations

REAFFIRMATIONS		Program	FY		Fund
#46-Corrections	Corrections Facility Site Selection and Planning	905	2025-26	135,000,000	NCCF
	Corrections Facility Site Selection and Planning	905	2026-27	10,000,000	NCCF
	Corrections Facility Site Selection and Planning	905	Future	0	NCCF
#50-State Colleges	State Colleges Facilities Program (LB 957 - 2016)	919	2025-26	1,125,000	Gen
	State Colleges Facilities Program (LB 957 - 2016)	919	2025-26	1,440,000	Rev
	State Colleges Facilities Program (LB 957 - 2016)	919	2026-27	1,125,000	Gen
	State Colleges Facilities Program (LB 957 - 2016)	919	2026-27	1,440,000	Rev
	State Colleges Facilities Program (LB 957 - 2016)	919	2027-28	1,125,000	Gen
	State Colleges Facilities Program (LB 957 - 2016)	919	2027-28	1,440,000	Rev
	State Colleges Facilities Program (LB 957 - 2016)	919	2028-29	1,125,000	Gen
	State Colleges Facilities Program (LB 957 - 2016)	919	2028-29	1,440,000	Rev
	State Colleges Facilities Program (LB 957 - 2016)	919	Future	23,455,000	Gen
	State Colleges Facilities Program (LB 957 - 2016)	919	Future	15,840,000	Rev

REAFFIRMATIONS		Program	FY		Fund
#50-State Colleges	Board facilities fee fund projects	920	2025-26	930,000	Rev
	Board facilities fee fund projects	920	2026-27	930,000	Rev
	Board facilities fee fund projects	920	2027-28	930,000	Rev
	Board facilities fee fund projects	920	2028-29	930,000	Rev
	Board facilities fee fund projects	920	Future	9,300,000	Rev
#50-State Colleges	State Colleges Sport Facilities Cash Fund	903	2025-26	300,000	Cash
	State Colleges Sport Facilities Cash Fund	903	2026-27	300,000	Cash
	State Colleges Sport Facilities Cash Fund	903	2027-28	300,000	Cash
	State Colleges Sport Facilities Cash Fund	903	2028-29	300,000	Cash
	State Colleges Sport Facilities Cash Fund	903	Future	3,000,000	Cash
#50-State Colleges	Chadron - Math / Science Building Project (LB 562-2019)	933	2025-26	2,216,000	Gen
	Chadron - Math / Science Building Project (LB 562-2019)	933	2026-27	2,216,000	Gen
	Chadron - Math / Science Building Project (LB 562-2019)	933	2027-28	2,216,000	Gen
	Chadron - Math / Science Building Project (LB 562-2019)	933	2028-29	2,216,000	Gen
	Chadron - Math / Science Building Project (LB 562-2019)	933	Future	13,296,000	Gen
#51-University	University Facilities Program (LB 957 - 2016)	920	2025-26	13,500,000	Gen
	University Facilities Program (LB 957 - 2016)	920	2025-26	18,000,000	Cash
	University Facilities Program (LB 957 - 2016)	920	2026-27	13,500,000	Gen
	University Facilities Program (LB 957 - 2016)	920	2026-27	18,000,000	Cash
	University Facilities Program (LB 957 - 2016)	920	2027-28	13,500,000	Gen
	University Facilities Program (LB 957 - 2016)	920	2027-28	18,000,000	Cash
	University Facilities Program (LB 957 - 2016)	920	2028-29	13,500,000	Gen
	University Facilities Program (LB 957 - 2016)	920	2028-29	18,000,000	Cash
	University Facilities Program (LB 957 - 2016)	920	Future	499,055,136	Gen
University Facilities Program (LB 957 - 2016)	920	Future	594,000,000	Cash	
#51-University	Renewal, renovations, or repair buildings (LB 562-2019)	906	2025-26	4,462,928	Gen
	Renewal, renovations, or repair buildings (LB 562-2019)	906	2026-27	4,462,928	Gen
	Renewal, renovations, or repair buildings (LB 562-2019)	906	2027-28	4,462,928	Gen
	Renewal, renovations, or repair buildings (LB 562-2019)	906	2028-29	4,462,928	Gen
	Renewal, renovations, or repair buildings (LB 562-2019)	906	Future	93,721,488	Gen
#65-DAS	State Capitol HVAC system replacement	922	2025-26	33,333,886	NCCF
	State Capitol HVAC system replacement	922	2026-27	0	NCCF
	State Capitol HVAC system replacement	922	Future	0	Gen
#65-DAS	Taskforce for Building Renewal Projects	940	2025-26	21,273,930	Cash
	Taskforce for Building Renewal Projects	940	2026-27	21,273,930	Cash
	Taskforce for Building Renewal Projects	940	2027-28	21,273,930	Cash
	Taskforce for Building Renewal Projects	940	2028-29	21,273,930	Cash
	Taskforce for Building Renewal Projects	940	Future	42,547,860	Cash

New Capital Construction Projects

Game and Parks – Administrative Facilities

The enacted budget includes a cash fund appropriation of \$2.61 million in FY2025-26 and \$445,000 in FY 2026-27 for the maintenance, repairs, and upgrades of NGPC's district offices statewide (Alliance, Bassett, Norfolk, North Platte, Kearney, and Lincoln). This includes replacing the roof at the Lincoln headquarters in FY2025-26.

Game and Parks – Fish Access Projects

Included in the budget is \$1.5 million in FY2025-26 and \$1.5 million in Cash Funds in FY2026-27 for the restoration, enhancement, and access to public waters. This includes work to improve aquatic habitat conditions and projects; such as the Soldier Creek Restoration at Fort Robinson State Park, Windmill State Recreation Area, Smith Lake, Holmes Lake, Elwood Reservoir canal, East Twin Reservoir, Alexandria Lakes, and Iron Horse Reservoir.

Game and Parks – Fish Production

The enacted budget includes a Cash Fund appropriation of \$2.5 million in FY2025-26 and \$2.5 million in FY2026-27, to be used to cover the annual costs associated with various upgrades, maintenance, and repairs at: Calamus, North Platte, Rock Creek, and Valentine fishery hatchery facilities; the Grove Trout Rearing Station; the four District offices; and the two Service Centers.

Game and Parks – State Park Facility Improvements

The enacted budget includes a Cash Fund appropriation of \$1.2 million in FY2025-26 only, for the construction of new motorboat access facilities and improvements to existing facilities, including handicap accessible parking areas and restrooms, planned excavation to create deeper waters for safer boating, and construction of wind breakwater protection structures. Many of the motorboat access improvement projects will be coordinated during the time the lakes and reservoirs are drained for rehabilitation.

Game and Parks – State Park Maintenance

The enacted budget includes \$5.5 million in FY2025-26 and \$5.5 million in FY2026-27 in cash funds for state park area deferred maintenance, replacement and upgrading projects. Included are larger maintenance items such as campground upgrades, bathroom upgrades, and utility work upgrades.

Game and Parks – Project Description Adjustment

The enacted budget includes adjusting the description of Fort Robinson projects by removing the high-hazard dam at Carter P. Johnson Lake and adding the expansion of angler access along Soldier Creek.

Nebraska Department of Transportation – Facility Improvements

The enacted budget includes a Cash Fund appropriation of \$4.3 million in FY2026-27 only, for the replacement of an existing outdated maintenance facility in Falls City, Nebraska. The proposed maintenance facility will include an office area, a mechanic bay/work area, a wash bay, and a storage area large enough to store modern snowplow trucks, a grader, and a loader.

Capitol Commission Capitol Restoration Cash Fund

LB 451 is included in the enacted budget. The bill transfers funds from the Unclaimed Property Trust Fund, from 2026 to 2035, of \$1 million per year to the Capital Restoration Cash Fund, which can be used for various expenses related to the building and grounds. As a result of the additional funding, the budget also includes a \$1 million cash fund appropriation in FY2026-27, and a future amount of \$9 million.

Table 61 Enacted Budget – Listing of New Projects

NEW PROJECTS		Program	Fiscal Yr		Fund
#25-DHHS	YRTC-Kearney	931	2025-26	2,250,000	NCCF
		931	2026-27	0	NCCF
#27-Transportation	Facility Improvements - Statewide Projects	901	2025-26	0	Cash
		901	2026-27	4,800,000	Cash
#31-Military Dept	State-Federal Cost Share Projects	927	2025-26	2,259,305	NCCF
		927	2025-26	4,179,320	Fed
		927	2026-27	0	NCCF
		927	2026-27	0	Fed
#33-Game & Parks	State Parks - Facility Improvement	900	2025-26	1,200,000	Cash
		900	2026-27	0	Cash
#33-Game & Parks	State Parks - Deferred maintenance, replacement, upgrades	901	2025-26	5,500,000	Cash
		901	2026-27	5,500,000	Cash
#33-Game & Parks	Cowboy Trail	966	2025-26	100,000	Cash
		966	2026-27	0	Cash
#33-Game & Parks	Wildlife Lands	971	2025-26	475,000	Cash
		971	2026-27	365,000	Cash
#33-Game & Parks	Administrative Facilities	972	2025-26	2,610,000	Cash
		972	2026-27	445,000	Cash
#33-Game & Parks	Fish Production Facilities	973	2025-26	2,500,000	Cash
		973	2026-27	2,500,000	Cash
#33-Game & Parks	Emergency Repairs - Parks	975	2025-26	500,000	Cash
		975	2026-27	500,000	Cash
#33-Game & Parks	Emergency Repairs - Wildlife Areas	976	2025-26	685,000	Cash
		976	2026-27	151,000	Cash
#33-Game & Parks	Emergency Repairs - Cowboy Trail	979	2025-26	544,000	Cash
		979	2026-27	250,000	Cash
#33-Game & Parks	Aquatic habitat enhancement and restoration	981	2025-26	1,500,000	Cash
		981	2026-27	1,500,000	Cash
#46-Corrections	Security System Upgrades	913	2025-26	2,500,000	NCCF
		913	2026-27	2,500,000	NCCF
#46-Corrections	Infrastructure and Maintenance	914	2025-26	4,000,000	NCCF
		914	2026-27	4,000,000	NCCF
#47-NETC	Translator tower	925	2025-26	150,000	NCCF
		925	2026-27	0	NCCF
#51-University	Norfolk Nursing/Allied Health	959	2025-26	250,000	Gen
		959	2026-27	0	Gen
		959	2027-28	750,000	Gen
		959	2028-29	750,000	Gen
		959	Future	13,500,000	Gen
#65-DAS	Capitol Restoration Cash	901	2025-26	0	Cash
		901	2026-27	1,000,000	Cash
		901	2027-28	1,000,000	Cash
		901	2028-29	1,000,000	Gen
		910	Future	7,000,000	Gen

2026 Midbiennium Adjustments - Construction

The 2026 changes adjust only capital construction appropriations in the Military Department and Game and Parks Commission.

Military Department

Two programs in the Military Department, programs 927 and 992, have unexpended reappropriated General Fund appropriations that are no longer needed. The General Funds were appropriated several years ago, and the projects are complete. The lapsed reappropriated funds are \$72,416 in FY2025-26 and \$47,912 in FY2026-27 and are shown in line 5a of the financial status.

Game and Parks Commission

A shift of \$2.5 million in Cash Fund appropriation from FY2026-27 back to FY2025-26 is included to support the NGPC's Valentine Fish Hatchery improvements, as the construction timeline has been accelerated and the vendors will need to be paid sooner. This is not an increase in appropriation from the previously approved appropriation over the whole biennium of FY25-27 (see Program 973 in Table 61). The shift results in a \$5 million in Cash Fund appropriation into the first year of the biennium, with no additional appropriation in FY2026-27.

The 2026 midbiennium adjustments also include allowing for the estimation (est.) designation on the NGPC's Capital Program cash fund appropriations. Having this estimation and language on these programs would allow the NGPC to have better flexibility when using their Cash Funds to handle emergency repairs. More timely handling of emergency repairs addresses the safety of public and staff sooner, helps to ward off additional costly damage, and saves on increasingly inflated repair costs over time. The designations or removal of designations to the NGPC's capital programs are as follows:

Prog. 969 State Recreation Areas:	Remove Estimation Designation/Language
Prog. 971 Special Use Areas:	Remove Estimation Designation/Language
Prog. 972 Admin. Facilities-Improvements:	Add Estimation Designation/Language
Prog. 973 Fish Production-Fisheries:	Add Estimation Designation/Language
Prog. 975 Emer. Repairs-Parks:	Add Estimation Designation/Language
Prog. 976 Emer. Repairs-Wildlife Mgt Areas:	Add Estimation Designation/Language
Prog. 979 Cowboy Trail Emergency Repairs:	Add Estimation Designation/Language

APPROPRIATIONS PROCESS AND DEFINITION OF TERMS

Mainline Appropriations Bills

The following bills are the standard appropriations bills as introduced by the Governor that authorize the bulk of state government expenditures. They are listed here for information only.

LB 260 Provide for deficit appropriations (Speaker Arch, at the request of the Governor)

LB 261 Appropriate funds for state government expenses (Speaker Arch, at the request of the Governor)

LB 262 Appropriations for legislative salaries (Speaker Arch, at the request of the Governor)

LB 263 Appropriate funds, salaries of constitutional officers (Speaker Arch, at the request of the Governor)

LB 264 Provide, change, and eliminate fund transfers (Speaker Arch, at the request of the Governor)

LB 1071 Midbiennium adjustments – Appropriate funds and adjust appropriations of funds for state government expenses (Speaker Arch, at the request of the Governor)

LB 1072 Midbiennium adjustments – Provide, change, and eliminate fund transfers (Speaker Arch, at the request of the Governor)

State Biennial Budget

A biennium is the time period for which the same Legislature exists. For example, the 109th Legislature will exist for two years, with the first session held in 2025, the second session in 2026. Although the State Constitution prohibits one Legislature from enacting appropriations that are binding on a future Legislature, the first session of the 109th Legislature can bind the second session of the same 109th Legislature. Therefore the 109th Legislature, meeting in 2025, can enact appropriations for FY2025-26 and FY2026-27 without binding the 110th Legislature. The biennial budget then is the sum of all appropriations made by the Legislature (both the first and second sessions) for these two succeeding fiscal years. These budgets as initially set in the 2025 session, can be revised and amended in subsequent legislative sessions, up until the end of a fiscal year.

The biennial budget can't be found in any single legislative bill. The phrase "the sum of all appropriations" was appropriately used as appropriations are contained in many different bills. What's referred to as the "mainline" budget bills are basically the appropriations to carry out the functions of state government as they exist at the beginning of a legislative session, and are normally contained in several different bills; legislator salaries, constitutional officer salaries, a main budget, and capital construction. New legislation enacted during a legislative session carries a companion appropriation bill if an appropriation is necessary to carry out the new law. This companion bill, referred to as an "A" bill, is a separate bill using the original bill number with the letter "A" following. In this manner, the appropriation to carry out the provisions of this legislation is only enacted if in fact the new legislation is enacted.

Fiscal Year

The time period for which appropriations are made is the states' fiscal year that runs from July 1st through June 30th of the following year. The fiscal year covering the period July 1, 2025 through June 30, 2026 is referred to as FY2025-26, FY25-26, or simply FY26. Within this 12-month period, agencies are limited to only

those appropriations made for FY2025-26. The fiscal year covering the period July 1, 2026 through June 30, 2027 is referred to as FY2026-27, FY26-27, or simply FY27.

Fund Types

The State of Nebraska utilizes several different types of funds for appropriating and accounting for revenue sources. This structure is somewhat similar to a bank that has several general categories of accounts such as commercial, individual, and trust accounts while under these general types of accounts are many separate and distinct individual accounts. In the state system, the broad types of funds are listed below:

GENERAL FUND This fund accounts for all the receipts not specified by statute to be credited to another fund. There is only a single General Fund. The majority of General Fund revenues come from sales and use taxes, and individual and corporate income taxes. Because appropriations from this fund determine the level of sales and income tax rates, most discussion on "balancing the budget" relates to the General Fund. Also deposited into the General Fund are liquor taxes, approximately half of the cigarette tax, and insurance premium taxes.

CASH FUNDS These funds are used to account for the revenues and expenditures of dedicated fees and charges. Unlike the single General Fund, there are more than 250 individual cash funds contained in 73 different agencies. In many instances, an agency has multiple cash funds. For example, the Department of Agriculture has over 20 different cash funds. Monies held in these funds generally can only be used for the specific purpose for which the fund was created. Cash funds are used to account for revenues such as University and State College tuition and fees, institution patient revenues, hunting/fishing permits, highway revenues (gas tax and sales tax on motor vehicles), and agricultural commodity check-off fees. In addition, most inspection, regulatory, and license fees and charges, are dedicated to and accounted for through the use of cash funds. The Department of Transportation accounts for about 23% of cash fund revenues/expenditures.

FEDERAL FUNDS Federal funds account for monies received from the federal government either as grants, contracts, or matching funds. Unlike other fund sources, federal fund appropriations are an estimate and agencies are not limited to the amount shown in the appropriation bills though receipts must meet expenditures. Similar to cash funds, there are numerous individual federal funds contained in the accounting system and they are generally limited to specific uses as authorized by the federal program from which the funds came from. About 75% of the federal funds are expended in the Health and Human Services System, a large portion for programs such as Medicaid, ADC, and other public assistance program. Federal funds in the Dept. of Education account for 6.5% of the total and mostly flow through monies to local K-12 schools for programs such as Title 1, School Lunch, and Special Education.

REVOLVING FUNDS These types of funds account for transactions where one agency provides goods or services to another agency. For example, the Dept of Revenue pays DAS-Building Division (SBD) for office rent in a state office building. The expenditure is charged against Revenue's budget (be it General, Cash, or Federal) as rent expenses. DAS-SBD then receives these funds which are credited to a revolving fund from which DAS-SBD pays staff salaries, utilities, custodial costs, repairs, etc. This in essence double-counts an expenditure; once when an agency pays another for goods/services rendered, the second time when the receiving agency then pays for costs incurred in providing the goods or services. Like cash and federal funds, there are numerous individual revolving funds within the state system. The University and State Colleges also use revolving funds but to account for revenues from dormitories, student unions, agricultural experiment stations, and other "enterprise" operations.

OTHER FUNDS - In the appropriation figures, this type includes a very small amount of private donations in capital construction, and the Nebraska Capital Construction Fund (NCCF). Because these amounts are historically both relatively small, they are combined with Revolving Funds for purposes of this report.

Operations, State Aid, Construction

In this report, there are instances where appropriations by fund type are also broken down into three categories: operations, state aid, and capital construction. And within the "state aid" category, there are two kinds: state aid to individuals and state aid to local governments.

AGENCY OPERATIONS accounts for the costs of operating state agencies including items such as employee salaries and benefits, data processing, utilities, vehicle and equipment purchases, fuel and oil, etc...

AID TO INDIVIDUALS includes programs such as Medicaid, Aid to Dependent Children (ADC), child welfare services and student scholarships where state funds are provided for the direct benefit of an individual. This area also includes aid to quasi-government units, which are those local agencies that do not have the authority to levy property taxes. This would include entities such as area agencies on aging, mental health regions and developmental disability regions.

AID TO LOCAL GOVERNMENTS accounts for aid payments to local governments that have the authority to levy a property tax such as cities, counties, K-12 schools, community colleges, natural resource districts (NRD's), and educational services units (ESU's). This category includes programs such as state aid to schools (TEEOSA), special education, homestead exemption reimbursements, and property tax relief through direct aid payments to cities, counties, NRD's, community colleges, and ESU's. State payments to fund part of the K-12 teacher retirement plan are not included under this category as those amounts are credited directly to the teacher retirement fund and are not checks written to school districts nor do those amounts show up as a school revenue or subsequent expenditure.

CAPITAL CONSTRUCTION includes costs for new construction and major repairs and renovation of state-owned facilities. The term "major" is used with respect to repair and renovations as relatively small or on-going projects are routinely done within agencies operating budgets. Highway and road construction and maintenance is not included in this category. This is included under cash fund agency operations.

Agency and Program Structure

Although only agency total figures are shown in this report, the state uses a program structure to which all appropriations are made. Budget programs are set out in the appropriations bills and are intended to follow functional lines within an agency. Overall, there are more than 300 budget programs within 79 state agencies. A lump sum appropriation is made to each program by fund type. Individual line items of expenditure (ie... salaries, data processing, equipment, supplies) are identified in the agency request and subsequently during the expenditure of the appropriated funds, but not for purposes of appropriations.

The only legally valid appropriations are made to budget programs with agency totals being for informational purposes only. Funds can only be shifted from one program to another by action of the Legislature. In some cases, an entire agency is contained in one budget program. This normally occurs when it is a small agency with basically one purpose. A good example is the Board of Barber Examiners. However, there are some examples of very large agencies that are also contained in only one program, for example the Dept. of Veterans' Affairs. In this case, the need for flexibility in terms of reallocating funding among the various institutions dictates a broader budget program. In these instances, more detailed data is available through the use of sub-programs during the request and expenditure process.

Budget Process and Chronology

The budgetary process is a biennial cycle of submissions, reviews, and appropriations. The full cycle takes almost one complete 12-month period. The following steps basically comprise the cycle as it works during the preparation of a biennial budget.

Step 1 - Budget Request Instructions By July 15, statutes require the Department of Administrative Services (DAS) Budget Division to issue instructions and forms for state agencies to use in submitting the budget request for the next two fiscal years.

Step 2 - Agency Budget Requests By September 15, agencies must submit their requests to DAS with a copy to the Legislative Fiscal Office (LFO).

Step 3 - Staff Review From September through December, analysts for the DAS Budget Division and LFO review agency requests and collect and analyze information justifying the request levels. The DAS-Budget analysis is conducted for the use of the Governor in developing his/her recommendations, the LFO analysis is provided for the Appropriations Committee and Legislature.

Step 4 - Governor's Recommendation By statute, the Governor's budget is due by January 15th of each year. In the first year of his/her term, this time is extended until February 15th.

Step 5 - Appropriations Committee Initial Review and Preliminary Budget From the middle of January to mid to late February, the Appropriations Committee reviews agency requests and develops a preliminary budget. This preliminary budget becomes the basis for the agency budget hearings as well as a Preliminary Report required by legislative rules. This report is due 20-30 legislative days after the Governor's budget is submitted during odd numbered years (15-20 legislative days in even numbered years).

Step 6 - Agency Budget Hearings From mid-February to mid-March, approximately 4-5 weeks are used to conduct public hearings on the agency request, the Governor's recommendations and Appropriations Committee preliminary recommendation. During these hearings, agencies, interest groups, and the general public submit requested changes to the Committee preliminary recommendation. Although not done frequently, other standing committees of the Legislature may have hearings on the budgets of those agencies under their subject jurisdiction during this time.

Step 7 - Committee Final Recommendation From mid-March to the mid to late April, another four weeks is used to review all requests subsequent to the hearings and finalize the Appropriations Committee recommendation that will be sent to the full Legislature. By rule, the budget bills must be submitted to the Legislature as a whole by the 70th legislative day in 90 day sessions, and the 40th day in 60 day sessions, otherwise the Governor's bills are considered as introduced. When the Appropriations Committee sends their recommendations to the entire Legislature, the other standing committees again have the opportunity to review and/or hold hearings on the recommendations for the agencies under their jurisdiction.

Step 8 - General File Like all other bills, budget bills are subject to amendment on the floor of the Legislature. The only difference is that for budget bills, all amendments must have 25 votes where a simple majority of those voting can amend other bills. This is the first of three stages a legislative bill must follow on its way to passage.

Step 9 - Select File This is the second and last stage of floor debate and again the budget bills are subject to debate and amendment.

Step 10 - Final Reading The number of votes required for passage of budget bills depends on whether the bill has the emergency clause (ie.. the bill becomes law immediately after signed by the Governor), and whether the appropriation exceeds the Governor's recommendation. Any bill with the emergency clause (including budget bills) requires a 2/3 vote of the 49 members of the Legislature (33 votes). Since the fiscal year starts on July 1, and voting on budget bills normally occurs at the end of May or first part of June, the mainline budget bills will require the emergency clause in order for agencies to have funding available by the start of the new

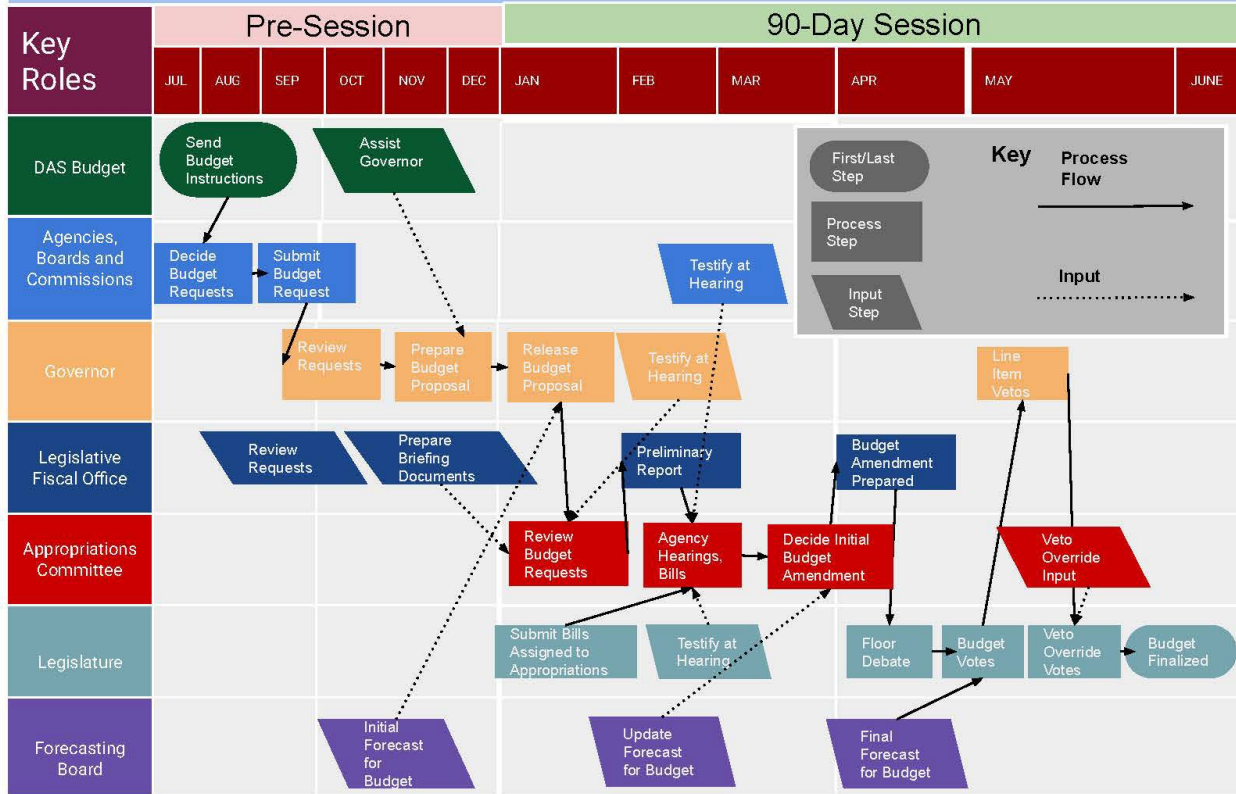
fiscal year. Some appropriations can go into effect after the fiscal year has begun as the mainline bill provides adequate cash flow until 90 days after the session ends when bills without the emergency clause go into effect. In cases of bills without the emergency clause the number of votes depends on whether the appropriation is in excess of the Governor's recommendation (30 votes) or at or below the Governor's recommendation (simple majority, 25 votes). By legislative rule, all bills which have a General Fund impact (ie.. General Fund "A" bill or General Fund revenue loss) are held on the final stage of consideration until the mainline budget bills have been passed.

Step 11 - Governor Vetoes The Governor has five calendar days (excluding Sunday) to sign bills as enacted, let the bill become law without his/her signature, or return the bill with vetoes. In addition to the authority to veto a bill in total, the Governor also has the authority to line-item veto which means the Governor can strike a number and insert a lower number for any specific item of appropriation.

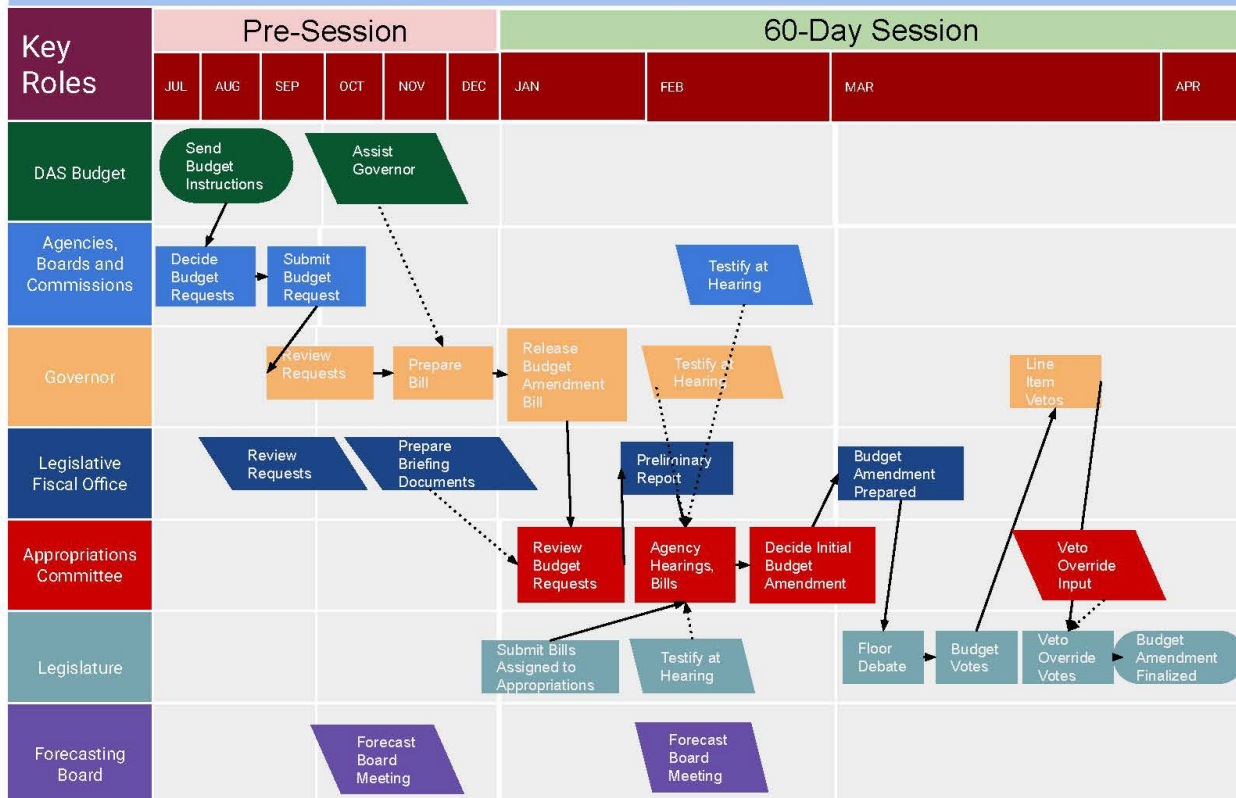
Step 12 - Veto Overrides By legislative rule, if more than one item in a bill is vetoed, the Appropriations Committee must make a report to the Legislature within one legislative day. The rules further lay out the order for considering override attempts: (1) the Committee may offer to override the entire bill; (2) the Committee may offer to override selected line item vetoes; (3) any member of the Legislature may then offer a motion to override the entire bill; and (4) any member may then offer motions to override selected line item vetoes. In the Committee report, the Appropriations Committee can either recommend or not recommend overrides, or as in some cases, remain silent on the disposition of vetoes. In all cases, veto overrides require 30 votes.

Step 13 - Deficit Appropriations A budget enacted for a fiscal year can be amended or changed up to the last day of that fiscal year. Deficit appropriations are changes made to the originally enacted appropriations. There are several chances to amend a biennial budget once it has been enacted. For example, the FY2025-26 and FY2026-27 biennial budget was enacted in the 2025 Session. Both years can be changed during the 2026 Session, even though at that time, the state will be nine months into FY2025-26. The second year of the biennial budget (FY2026-27) can also be subject to change prospectively during the 2026 Session and again during the 2027 Session as a "deficit" during the fiscal year.

Biennial Budget Creation



Mid-Biennium Adjustments



LEGISLATIVE FISCAL OFFICE – AGENCY ASSIGNMENTS

KEISHA PATENT, LEGISLATIVE FISCAL ANALYST

03 – Legislative Council

CLINT VERNER, DEPUTY DIRECTOR

18 – Department of Agriculture
39 – Brand Committee
52 – Fair Board
56 – Wheat Board
60 – Nebraska Ethanol Board
61 – Dairy Industry Development Board
72 – Department of Economic Development
84 – Department of Water, Energy, and Environment
86 – Dry Bean Commission
88 – Corn Board
92 – Grain Sorghum Board
95 – Dry Pea and Lentil Commission

BILL BIVEN, ANALYST

13 – Department of Education
32 – Board of Educational Lands and Funds
34 – Library Commission
47 – Educational Telecommunications Commission
62 – Board of Examiners for Land Surveyors
75 – Investment Council
85 – Public Employees' Retirement System

KENNETH BOGGS, ANALYST

05 – Supreme Court
11 – Attorney General
15 – Board of Pardons and Parole
46 – Department of Correctional Services
64 – State Patrol
78 – Crime Commission
94 – Commission on Public Advocacy

CHRISTINA DOWD, ANALYST

- 09 – Secretary of State
- 19 – Department of Banking
- 21 – State Fire Marshal
- 22 – Department of Insurance
- 28 – Department of Veterans' Affairs
- 31 – Military Department
- 68 – Latino Americans Commission
- 76 – Commission on Indian Affairs
- 81 – Commission for the Blind and Visually Impaired
- 82 – Commission on the Hearing Impaired
- 87 – Political Accountability and Disclosure Commission
- 90 – Commission on African American Affairs
- 97 – Commission on Asian American Affairs

MIKAYLA FINDLAY, ANALYST

- 25 – DHHS
- 45 – Board of Barber Examiners
- 70 – Foster Care Review Board

SHELLY GLASER, ANALYST

- 14 – Public Service Commission
- 24 – Department of Motor Vehicles
- 27 – Department of Transportation
- 33 – Game and Parks Commission
- 40 – Motor Vehicle Industry Licensing Board
- 63 – Board of Public Accountancy

SUZANNE HOULDEN, ANALYST

- 07 – Governor
- 08 – Lt. Governor
- 10 – Auditor
- 23 – Department of Labor
- 37 – Workers' Compensation Court
- 48 – Coordinating Commission for Postsecondary Education
- 50 – State College System
- 51 – University of Nebraska
- 67 – Equal Opportunity Commission
- 77 – Commission of Industrial Relations
- 83 – Community Colleges

ERIC KASIK, ANALYST

- 30 – State Electrical Board
- 41 – State Real Estate Commission
- 53 – Real Property Appraiser Board
- 54 – State Historical Society
- 57 – Oil and Gas Conservation Commission
- 58 – Board of Examiners for Engineers & Architects
- 59 – Geologists Board
- 65 – DAS
- 66 – Abstractors Board of Examiners
- 69 – Nebraska Arts Council
- 73 – Board of Examiners for Landscape Architects
- 74 – Power Review Board
- 91 – Nebraska Tourism Commission

JOHN WIEMER, ANALYST

- 12 – State Treasurer
- 16 – Department of Revenue
- 35 – Liquor Control Commission
- 36 – Racing and Gaming Commission
- 93 – Tax Equalization and Review Commission

DAVE DEARMONT, REVENUE ECONOMIST

Revenue Forecasting

MALICK DIARRASSOUBA, REVENUE ECONOMIST

Revenue Forecasting

EMILIE GRIESS, FISCAL OFFICE MANAGER