

LEGISLATURE OF NEBRASKA  
ONE HUNDRED NINTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 847**

FINAL READING

Introduced by Kauth, 31.

Read first time January 08, 2026

Committee: Business and Labor

1 A BILL FOR AN ACT relating to labor; to amend sections 48-309, 48-1231,  
2 48-1233, 48-1234, 48-1706, 48-2710, 48-2905, 81-406, 81-1210.01,  
3 81-1210.02, 81-1210.03, 81-12,152, 81-12,154, 81-12,155, 81-12,158,  
4 81-12,160, and 81-12,163, Reissue Revised Statutes of Nebraska,  
5 sections 29-431, 48-302, 48-303, and 48-2107, Revised Statutes  
6 Cumulative Supplement, 2024, and sections 48-602, 48-622.01, 48-648,  
7 48-649.01, 48-657, 81-1201.21, and 81-1210.04, Revised Statutes  
8 Supplement, 2025; to adopt the Nebraska Registered Apprenticeship  
9 Act; to change and eliminate provisions relating to child labor; to  
10 redefine a term; to change provisions relating to the combined tax  
11 and the state unemployment insurance tax rate under the Employment  
12 Security Law; to provide for an annual administrative and  
13 operational support fee for certain employers under the Employment  
14 Security Law; to change penalty provisions and provide powers to the  
15 Commissioner of Labor under the Nebraska Wage Payment and Collection  
16 Act; to change provisions relating to fees under the Contractor  
17 Registration Act; to provide and eliminate powers of the  
18 Commissioner of Labor and eliminate reporting requirements and the  
19 hotline and website for reporting suspected violations under the  
20 Employee Classification Act; to rename the Contractor and  
21 Professional Employer Organization Registration Cash Fund and change  
22 permitted uses of the fund; to transfer administration of student

1 internships from the Department of Economic Development to the  
2 Department of Labor; to change provisions relating to legislative  
3 findings, qualified action plans, and financial assistance programs  
4 and create a fund under the Business Innovation Act; to state  
5 legislative intent regarding appropriations; to provide a duty for  
6 the Revisor of Statutes; to harmonize provisions; to repeal the  
7 original sections; and to outright repeal sections 48-307, 48-2906,  
8 and 48-2909, Reissue Revised Statutes of Nebraska.

9 Be it enacted by the people of the State of Nebraska,

1        **Section 1.** Sections 1 to 6 of this act shall be known and may be  
2 cited as the Nebraska Registered Apprenticeship Act.

3        **Sec. 2.** For purposes of the Nebraska Registered Apprenticeship Act,  
4 unless the context otherwise requires:

5        (1) Apprentice means a worker who is at least sixteen years of age  
6 and who is employed to learn an apprenticeable occupation under standards  
7 of apprenticeship fulfilling the requirements of 29 C.F.R. 29.5, as such  
8 regulation existed on January 1, 2026;

9        (2) Apprenticeable occupation means an occupation that is specified  
10 by industry and to which all of the following apply:

11        (a) The occupation involves skills that are customarily learned in a  
12 practical way through a structured, systematic program of on-the-job  
13 supervised learning;

14        (b) The occupation is clearly identified and commonly recognized  
15 throughout an industry;

16        (c) The occupation involves the progressive attainment of manual,  
17 mechanical, or technical skills and knowledge which, in accordance with  
18 the industry standard for the occupation, would require the completion of  
19 at least two thousand hours of on-the-job learning to attain; and

20        (d) The occupation requires related instruction to supplement the  
21 on-the-job learning;

22        (3) Apprenticeship agreement means a written agreement, accepted and  
23 recorded by the Nebraska Office of Registered Apprenticeship, between an  
24 apprentice and an apprenticeship sponsor that contains the terms and  
25 conditions of the apprentice's employment and training consistent with 29  
26 C.F.R. part 29, as such regulations existed on January 1, 2026, and the  
27 Nebraska Registered Apprenticeship Act;

28        (4) Apprenticeship program means a program registered with the  
29 United States Department of Labor, Office of Apprenticeship, or the  
30 Nebraska Office of Registered Apprenticeship that includes terms and  
31 conditions for the qualification, recruitment, selection, employment, and

1 training of apprentices, including the requirement for a written  
2 apprenticeship agreement;

3 (5) Apprenticeship sponsor means an entity operating an  
4 apprenticeship program or an entity in whose name an apprenticeship  
5 program is being operated, which entity is registered with or approved by  
6 the United States Department of Labor, Office of Apprenticeship, or the  
7 Nebraska Office of Registered Apprenticeship;

8 (6) Cancellation means the termination of the registration of a  
9 quality pre-apprenticeship program or apprenticeship program at the  
10 request of the apprenticeship sponsor, or the termination of an  
11 apprenticeship agreement at the request of the apprentice;

12 (7) Commissioner means the Commissioner of Labor;

13 (8) Department means the Nebraska Department of Labor;

14 (9) Employee organization means (a) any labor union, (b) any  
15 organization of any kind, or any agency or employee representation  
16 committee, association, group, or plan, in which employees participate  
17 and which exists for the purpose, in whole or in part, of dealing with  
18 employers concerning an employee benefit plan or other matters incidental  
19 to employment relationships, and (c) any employees' beneficiary  
20 association organized for the purpose, in whole or in part, of  
21 establishing an employee benefit plan;

22 (10) Employer means a person or organization employing an  
23 apprentice, whether or not such person or organization is a party to an  
24 apprenticeship agreement with the apprentice;

25 (11) Employer organization means a collective organization of  
26 manufacturers, retailers, or other employers of wage labor which seeks to  
27 coordinate the behavior of its member companies in matters of mutual  
28 interest;

29 (12) Expansion of an existing apprenticeship program means adding a  
30 new occupation or a new employer to an existing apprenticeship program;

31 (13) Large apprenticeship program means an apprenticeship program

1 with more than three hundred fifty active apprentices;

2 (14) On-the-job training means training provided by an employer to  
3 which all of the following apply:

4 (a) The training is provided to a paid apprentice who is engaged in  
5 productive work in an occupation, and the work provides knowledge or  
6 skills essential to the full and adequate performance of the occupation;  
7 and

8 (b) The training is limited in duration as appropriate to the  
9 occupation for which the apprentice is being trained, based on the  
10 content of the training, the apprentice's prior work experience, and the  
11 apprentice's service strategy, as appropriate;

12 (15) Public member means a member of the Nebraska Apprenticeship  
13 Council who is not representing an employer organization or employee  
14 organization and who is familiar with apprenticeable occupations;

15 (16) Quality pre-apprenticeship program means a program or set of  
16 strategies, registered by the Nebraska Office of Registered  
17 Apprenticeship, including basic skills training, academic skills  
18 remediation, or introduction to the industry, that is designed to prepare  
19 individuals for entry into an apprenticeship program;

20 (17) Registered apprenticeship program means a program to which all  
21 of the following apply:

22 (a) The program has been accepted and recorded by the Nebraska  
23 Office of Registered Apprenticeship or registered with the United States  
24 Department of Labor, Office of Apprenticeship;

25 (b) The program includes all of the following:

26 (i) Employer participation in accordance with 29 C.F.R. 29.5, as  
27 such regulation existed on January 1, 2026;

28 (ii) On-the-job training;

29 (iii) Related training instruction;

30 (iv) Paid work experience; and

31 (v) Receipt of a portable state or nationally recognized credential;

1 and

2 (c) The program is for the recruitment, selection, employment, and  
3 training of apprentices and is developed pursuant to 29 C.F.R part 29, as  
4 such regulations existed on January 1, 2026, and any rules and  
5 regulations adopted and promulgated pursuant to the Nebraska Registered  
6 Apprenticeship Act;

7 (18) Registration agency means the state agency that is responsible  
8 for registering apprenticeship programs and apprentices, providing  
9 technical assistance, and conducting reviews for compliance with federal  
10 law;

11 (19) Related training instruction means an organized and systematic  
12 form of instruction, other than on-the-job training, to which all of the  
13 following apply:

14 (a) The instruction is designed to provide an apprentice with  
15 knowledge of the subjects related to the apprentice's occupation; and

16 (b) The instruction is given in a classroom, through occupational or  
17 industrial courses, through correspondence or online courses, or through  
18 other forms of self-study; and

19 (20) Small apprenticeship program means an apprenticeship program  
20 with three hundred fifty or fewer active apprentices.

21 **Sec. 3.** (1) The Nebraska Office of Registered Apprenticeship is  
22 established within the department in accordance with 29 U.S.C. 50 and 29  
23 C.F.R. part 29, as such section and regulations existed on January 1,  
24 2026. The office shall be operated and managed by the commissioner or the  
25 commissioner's designee.

26 (2) The office is established for all of the following purposes:

27 (a) To serve as the state apprenticeship agency as defined in 29  
28 C.F.R. 29.2, as such regulation existed on January 1, 2026;

29 (b) To serve as the registration agency for this state;

30 (c) To establish standards of apprenticeship for quality pre-  
31 apprenticeships, registered apprenticeships, and other apprenticeships;

1       (d) To establish requirements regarding the registration of quality  
2 pre-apprenticeship programs, registered apprenticeship programs, and  
3 other apprenticeship programs in the state when the sponsor of such  
4 programs chooses to certify or register the programs with the office; and

5       (e) To resolve disputes between parties to an apprenticeship  
6 agreement.

7       **Sec. 4.** (1) The Nebraska Office of Registered Apprenticeship shall  
8 develop standards to create a nationally recognized state apprenticeship  
9 completion credential in compliance with standards established in 29  
10 C.F.R. 29.5, as such regulation existed on January 1, 2026, for  
11 completing a registered apprenticeship program.

12       (2) The office shall approve or deny the registration of a  
13 registered apprenticeship program, whether for a new program or expansion  
14 of an existing apprenticeship program. The office shall provide an entity  
15 whose registration is not approved with specific reasons for the  
16 disapproval and an option for modifying the application for registration.

17       (3) The office shall establish competency-based, time-based, and  
18 hybrid apprenticeship frameworks based on the regional and statewide  
19 collection of valuable credentials and consistent with 29 C.F.R. 29.5(b)  
20 (2), as such regulation existed on January 1, 2026.

21       (4) The office shall establish a plan to provide reciprocal  
22 approval, for federal purposes, to apprentices, apprenticeship programs,  
23 and standards that are registered in other states by the United States  
24 Department of Labor, Office of Apprenticeship, or a registration agency,  
25 if such reciprocity is requested by the apprenticeship sponsor.  
26 Apprenticeship sponsors seeking reciprocal approval shall meet wage and  
27 hour provisions and apprentice ratio standards of this state.

28       (5) The office may consider advice provided by the Nebraska  
29 Apprenticeship Council when completing the office's duties as set forth  
30 in this section.

31       (6) The office shall serve as the registration agency for quality

1 pre-apprenticeships, registered apprenticeships, and other  
2 apprenticeships.

3 (7) The office shall develop a plan providing a procedure for the  
4 cancellation or deregistration of programs and for temporary suspension,  
5 cancellation, or deregistration of apprenticeship agreements.

6 (8) The office shall not require affiliation with a labor  
7 organization, employer organization, or other limited-membership  
8 organization as a criterion of an apprenticeship program. This subsection  
9 does not prohibit labor organizations, employer organizations, and  
10 limited-membership organizations from requiring membership to participate  
11 in the apprenticeship training provided by the organization.

12 **Sec. 5.** (1) The Nebraska Apprenticeship Council is established as  
13 an advisory council within the department pursuant to 29 C.F.R. 29.13(a)  
14 (2), as such regulation existed on January 1, 2026.

15 (2) Members of the council shall be appointed by the Governor for  
16 terms of three years.

17 (3)(a) The council shall include at least five voting members  
18 appointed by the Governor. The members must be primarily based in  
19 Nebraska and familiar with apprenticeable occupations. Familiarity with  
20 apprenticeable occupations shall be determined by actual experience with  
21 a Nebraska apprenticeship program.

22 (b) The council shall have an equal number of representatives of  
23 employer organizations and employee organizations and include public  
24 members who shall not number in excess of the number named to represent  
25 either employer organizations or employee organizations. The council  
26 shall be comprised of representatives with experience in both large  
27 apprenticeship programs and small apprenticeship programs in Nebraska.

28 (c) The Governor shall appoint a chairperson of the council from  
29 among the voting members.

30 (d) The commissioner, or the commissioner's designee, shall serve as  
31 an ex officio, nonvoting member.

1           (4) The council shall do all of the following:

2           (a) Advise the Nebraska Office of Registered Apprenticeship  
3 regarding the duties set forth in the Nebraska Registered Apprenticeship  
4 Act; and

5           (b) Provide community outreach and education regarding the benefits  
6 of apprenticeship.

7           **Sec. 6.** The department shall be responsible for implementation and  
8 enforcement of the Nebraska Registered Apprenticeship Act. The department  
9 may adopt and promulgate rules and regulations as necessary to carry out  
10 the act.

11           **Sec. 7.** Section 29-431, Revised Statutes Cumulative Supplement,  
12 2024, is amended to read:

13           29-431 As used in sections 28-416, 29-422, 29-424, 29-425, 29-431 to  
14 29-434, ~~48-1231,~~ and 53-173, unless the context otherwise requires,  
15 infraction means the violation of any law, ordinance, order, rule, or  
16 regulation, not including those related to traffic, which is not  
17 otherwise declared to be a misdemeanor or a felony. Infraction includes  
18 violations of section 60-6,267 and beginning January 1, 2024, section  
19 60-6,279.

20           **Sec. 8.** Section 48-302, Revised Statutes Cumulative Supplement,  
21 2024, is amended to read:

22           48-302 (1) No child under sixteen years of age shall be employed or  
23 permitted or suffered to work in any employment as defined in section  
24 48-301 within this state unless the person or corporation employing the  
25 child procures and keeps on file, accessible to the attendance officers  
26 and to the Department of Labor and its assistants and employees, an  
27 employment certificate as prescribed in section 48-304 and keeps one  
28 complete list of all such children employed in the building on file in  
29 the building in which such children are employed.

30           (2) Upon the termination of the employment of a child or when a  
31 child reaches the age of sixteen so registered whose certificate is so

1 ~~filed~~, such certificate shall be retained by the employer for at least  
2 twelve months ~~transmitted by the employer to the person authorizing the~~  
3 ~~certificate pursuant to section 48-303~~ and shall be accessible to the  
4 attendance officers and to the Department of Labor and its assistants and  
5 employees upon request ~~turned over to such child upon demand.~~

6 (3) Any attendance officer or the Department of Labor or its  
7 assistants and employees may demand that any employer in whose place of  
8 business a child apparently under the age of sixteen years is employed or  
9 permitted or suffered to work, and whose employment certificate is not  
10 then filed as required by this section, either furnish within ten days  
11 satisfactory evidence that such child is in fact over sixteen years of  
12 age or cease to employ or permit or suffer such child to work in such  
13 place of business. The same evidence of the age of such child may be  
14 required from such employer as is required on the issuance of an  
15 employment certificate as provided in section 48-304, and the employer  
16 furnishing such evidence shall not be required to furnish any further  
17 evidence of the age of the child.

18 (4) In case such employer fails to produce and deliver to the  
19 attendance officer or the Commissioner of Labor within ten days after  
20 demand such evidence of the age of any child as may be required under the  
21 provisions of section 48-304 and continues to employ such child or permit  
22 or suffer such child to work in such place of business, proof of the  
23 giving of such notice and of such failure to produce and file such  
24 evidence shall be prima facie evidence in any prosecution brought for a  
25 violation of this section that such child is under sixteen years of age  
26 and is unlawfully employed.

27 **Sec. 9.** Section 48-303, Revised Statutes Cumulative Supplement,  
28 2024, is amended to read:

29 48-303 Except as otherwise provided in this section, an employment  
30 certificate shall be approved only by the principal of the school the  
31 child attends or by a person authorized by him or her in writing or, when

1 there is no principal, by a person authorized by the chief administrative  
2 officer of the school or the superintendent of the school district in  
3 which the child resides, except that no person authorized by this section  
4 may approve such certificate for any child then in or about to enter his  
5 or her own employment or the employment of a firm or corporation of which  
6 he or she is a member, officer, or employee or in whose business he or  
7 she is interested. If a child who resides outside of Nebraska ~~in an~~  
8 ~~adjoining~~ state seeks to work in Nebraska, the Department of Labor may  
9 approve the employment certificate. The officer or person approving such  
10 certificate may administer the oath provided for therein or in any  
11 investigation or examination necessary for the approval thereof. No fee  
12 shall be charged for approving any such certificate or for administering  
13 any oath or rendering any services related thereto. The school approving  
14 the employment certificate, or the department if the department has  
15 approved the employment certificate, shall establish and maintain proper  
16 records where copies of all such certificates and all documents connected  
17 therewith shall be filed and preserved and shall provide the necessary  
18 clerical services for carrying out sections 48-302 to 48-313. The person  
19 who issued the employment certificate shall report to the department any  
20 complaint concerning the conditions of employment of a child for whom a  
21 certificate is in force. Upon receipt of the report, the department shall  
22 make such investigation as it deems advisable to protect an individual  
23 child or to promote the youth-work program.

24 **Sec. 10.** Section 48-309, Reissue Revised Statutes of Nebraska, is  
25 amended to read:

26 48-309 The age and schooling certificate provided for herein shall  
27 be made out upon blank forms prescribed and furnished ~~in triplicate~~ by  
28 the Department of Labor.

29 **Sec. 11.** Section 48-602, Revised Statutes Supplement, 2025, is  
30 amended to read:

31 48-602 For purposes of the Employment Security Law, unless the

1 context otherwise requires:

2 (1) Agricultural labor means services performed:

3 (a) On a farm, in the employ of any employer, in connection with  
4 cultivating the soil or in connection with raising or harvesting any  
5 agricultural or horticultural commodity, including the raising, shearing,  
6 feeding, caring for, training, and management of livestock, bees,  
7 poultry, fur-bearing animals, and wildlife;

8 (b) In the employ of the owner, tenant, or other operator of a farm,  
9 in connection with the operation, management, conservation, improvement,  
10 or maintenance of such farm and its tools and equipment or in salvaging  
11 timber or clearing land of brush and other debris left by a windstorm, if  
12 the major part of such service is performed on a farm;

13 (c) In connection with the production or harvesting of any commodity  
14 in connection with the operation or maintenance of ditches, canals,  
15 reservoirs, or waterways, not owned or operated for profit, used  
16 exclusively for supplying and storing water for farming purposes;

17 (d)(i) In the employ of the operator of a farm in handling,  
18 planting, drying, packing, packaging, processing, freezing, grading,  
19 storing, or delivering to storage or to market or to a carrier for  
20 transportation to market, in its unmanufactured state, any agricultural  
21 or horticultural commodity, but only if such operator produced more than  
22 one-half of the commodity with respect to which such service is  
23 performed, or (ii) in the employ of a group of operators of farms, or a  
24 cooperative organization of which such operators are members, in the  
25 performance of service described in subdivision (1)(d)(i) of this  
26 section, but only if such operators produced more than one-half of the  
27 commodity with respect to which such service is performed. Subdivisions  
28 (1)(d)(i) and (ii) of this section shall not be deemed to be applicable  
29 with respect to service performed in connection with commercial canning  
30 or commercial freezing or in connection with any agricultural or  
31 horticultural commodity after its delivery to a terminal market for

1 distribution for consumption; or

2 (e) On a farm operated for profit if such service is not in the  
3 course of the employer's trade or business;

4 (2) Base period means the first four of the last five completed  
5 calendar quarters immediately preceding the first day of an individual's  
6 benefit year, except that if the individual is not monetarily eligible  
7 for unemployment benefits as determined pursuant to section 48-627.01  
8 based upon wages paid during the first four of the five most recently  
9 completed calendar quarters, the department shall make a redetermination  
10 of monetary eligibility based upon an alternative base period which  
11 consists of the last four completed calendar quarters immediately  
12 preceding the first day of the claimant's benefit year;

13 (3) Benefits means the money payments payable to an individual with  
14 respect to his or her unemployment;

15 (4) Benefit year, with respect to any individual, means the one-year  
16 period beginning with the first day of the first week with respect to  
17 which the individual first files a valid claim for benefits, and  
18 thereafter the one-year period beginning with the first day of the first  
19 week with respect to which the individual next files a valid claim for  
20 benefits after the termination of his or her last preceding benefit year.  
21 Any claim for benefits made in accordance with section 48-629 shall be  
22 deemed to be a valid claim for the purpose of this subdivision if the  
23 individual has been paid the wages for insured work required under  
24 section 48-627.01. For the purposes of this subdivision a week with  
25 respect to which an individual files a valid claim shall be deemed to be  
26 in, within, or during that benefit year which includes the greater part  
27 of such week;

28 (5) Calendar quarter means the period of three consecutive calendar  
29 months ending on March 31, June 30, September 30, or December 31, or the  
30 equivalent thereof as the Commissioner of Labor may by rule and  
31 regulation prescribe;

1 (6) Client means any individual, partnership, limited liability  
2 company, corporation, or other legally recognized entity that contracts  
3 with a professional employer organization to obtain professional employer  
4 services relating to worksite employees through a professional employer  
5 agreement;

6 (7) Combined tax means the employer liability consisting of  
7 contributions and the state unemployment insurance tax;

8 (8) Combined tax rate means the rate which is applied to wages to  
9 determine the combined taxes due;

10 (9) Commissioner means the Commissioner of Labor;

11 (10) Commodity means an agricultural commodity as defined in section  
12 15(g) of the federal Agricultural Marketing Act, as amended, 12 U.S.C.  
13 1141j;

14 (11) Contribution rate means the percentage of the combined tax rate  
15 used to determine the contribution portion of the combined tax;

16 (12) Contributions means that portion of the combined tax based upon  
17 the contribution rate portion of the combined tax rate which is deposited  
18 in the state Unemployment Compensation Fund as required by sections  
19 48-648 and 48-649 to 48-649.04;

20 (13) Crew leader means an individual who furnishes individuals to  
21 perform service in agricultural labor for any other person, pays, either  
22 on his or her own behalf or on behalf of such other person, the  
23 individuals so furnished by him or her for the service in agricultural  
24 labor performed by them, and has not entered into a written agreement  
25 with such other person under which such individual is designated as an  
26 employee of such other person;

27 (14) Department means the Department of Labor;

28 (15) Employers engaged in the construction industry means all  
29 employers primarily engaged in business activities classified as sector  
30 23 business activities under the North American Industry Classification  
31 System;

1           (16) Employment office means a free public employment office or  
2 branch thereof, operated by this state or maintained as a part of a  
3 state-controlled system of public employment offices, including public  
4 employment offices operated by an agency of a foreign government;

5           (17) Farm means stock, dairy, poultry, fruit, fur-bearing animal,  
6 and truck farms, plantations, ranches, nurseries, ranges, greenhouses, or  
7 other similar structures used primarily for the raising of agricultural  
8 or horticultural commodities, and orchards;

9           (18) Fund means the Unemployment Compensation Fund established by  
10 section 48-617 to which all contributions and payments in lieu of  
11 contributions required and from which all benefits provided shall be  
12 paid;

13           (19) Hearing officer means a person employed by the Department of  
14 Labor who conducts hearings, contested cases, or other proceedings  
15 pursuant to the Employment Security Law;

16           (20) Hospital means an institution which has been licensed,  
17 certified, or approved by the Department of Health and Human Services as  
18 a hospital;

19           (21) Insured work means employment for employers;

20           (22) Leave of absence means any absence from work: (a) Mutually and  
21 voluntarily agreed to by the employer and the employee; (b) mutually and  
22 voluntarily agreed to between the employer and the employee's bargaining  
23 agent; or (c) to which the employee is entitled as a matter of state or  
24 federal law;

25           (23) Paid vacation leave means a period of time while employed or  
26 following separation from employment in which the individual renders no  
27 services to the employer but is entitled to receive vacation pay equal to  
28 or exceeding his or her base weekly wage;

29           (24) Payments in lieu of contributions means the money payments to  
30 the Unemployment Compensation Fund required by sections 48-649.04,  
31 48-652, 48-660.01, and 48-661;

1 (25) Professional employer agreement means a written professional  
2 employer services contract whereby:

3 (a) A professional employer organization agrees to provide payroll  
4 services, employee benefit administration, or personnel services for a  
5 majority of the employees providing services to the client at a client  
6 worksite;

7 (b) The agreement is intended to be ongoing rather than temporary in  
8 nature; and

9 (c) Employer responsibilities for worksite employees, including  
10 those of hiring, firing, and disciplining, are shared between the  
11 professional employer organization and the client by contract. The term  
12 professional employer agreement shall not include a contract between a  
13 parent corporation, company, or other entity and a wholly owned  
14 subsidiary;

15 (26) Professional employer organization means any individual,  
16 partnership, limited liability company, corporation, or other legally  
17 recognized entity that enters into a professional employer agreement with  
18 a client or clients for a majority of a client's workforce at a client  
19 worksite. The term professional employer organization does not include an  
20 insurer as defined in section 44-103 or a temporary help firm;

21 (27) Standard rate means the rate assigned to category twenty for  
22 that year under section 48-649.03. The standard rate shall be not less  
23 than five and four-tenths percent of the employer's annual taxable  
24 payroll;

25 (28) State includes, in addition to the states of the United States  
26 of America, any dependency of the United States, the Commonwealth of  
27 Puerto Rico, the Virgin Islands, and the District of Columbia;

28 (29) State unemployment insurance tax means that portion of the  
29 combined tax which is based upon the state unemployment insurance tax  
30 rate portion of the combined tax rate and which is deposited in the  
31 Workforce Development Program Cash Fund and the Business Innovation Cash

1 Fund as required by sections 48-648 and 48-649 to 48-649.04;

2 (30) State unemployment insurance tax rate means the percentage of  
3 the combined tax rate used to determine the state unemployment insurance  
4 tax portion of the combined tax;

5 (31) Temporary employee means an employee of a temporary help firm  
6 assigned to work for the clients of such temporary help firm;

7 (32) Temporary help firm means a firm that hires its own employees  
8 and assigns them to clients to support or supplement the client's  
9 workforce in work situations such as employee absences, temporary skill  
10 shortages, seasonal workloads, and special assignments and projects;

11 (33) Unemployed means an individual during any week in which the  
12 individual performs no service and with respect to which no wages are  
13 payable to the individual or any week of less than full-time work if the  
14 wages payable with respect to such week are less than the individual's  
15 weekly benefit amount, but does not include any individual on a leave of  
16 absence or on paid vacation leave. When an agreement between the employer  
17 and a bargaining unit representative does not allocate vacation pay  
18 allowance or pay in lieu of vacation to a specified period of time during  
19 a period of temporary layoff or plant shutdown, the payment by the  
20 employer or his or her designated representative will be deemed to be  
21 wages as defined in this section in the week or weeks the vacation is  
22 actually taken;

23 (34) Unemployment Trust Fund means the trust fund in the Treasury of  
24 the United States of America established under section 904 of the federal  
25 Social Security Act, 42 U.S.C. 1104, as such section existed on January  
26 1, 2015, which receives credit from the state Unemployment Compensation  
27 Fund;

28 (35) Wages, except with respect to services performed in employment  
29 as provided in subdivisions (4)(c) and (d) of section 48-604, means all  
30 remuneration for personal services, including commissions and bonuses,  
31 remuneration for personal services paid under a contract of hire, and the

1 cash value of all remunerations in any medium other than cash. The  
2 reasonable cash value of remuneration in any medium other than cash shall  
3 be estimated and determined in accordance with rules and regulations  
4 adopted and promulgated by the commissioner. Wages includes tips which  
5 are received while performing services which constitute employment and  
6 which are included in a written statement furnished to the employer  
7 pursuant to section 6053(a) of the Internal Revenue Code as defined in  
8 section 49-801.01.

9 With respect to services performed in employment in agricultural  
10 labor as is provided in subdivision (4)(c) of section 48-604, wages means  
11 cash remuneration and the cash value of commodities not intended for  
12 personal consumption by the worker and his or her immediate family for  
13 such services. With respect to services performed in employment in  
14 domestic service as is provided in subdivision (4)(d) of section 48-604,  
15 wages means cash remuneration for such services.

16 The term wages does not include:

17 (a) The amount of any payment, including any amount paid by an  
18 employer for insurance or annuities or into a fund to provide for such  
19 payment, made to, or on behalf of, an individual in employment or any of  
20 his or her dependents under a plan or system established by an employer  
21 which makes provision for such individuals generally or for a class or  
22 classes of such individuals, including any amount paid by an employer for  
23 insurance or annuities or into a fund to provide for any such payment, on  
24 account of (i) sickness or accident disability, except, in the case of  
25 payments made to an employee or any of his or her dependents, this  
26 subdivision (i) shall exclude from wages only payments which are received  
27 under a workers' compensation law, (ii) medical and hospitalization  
28 expenses in connection with sickness or accident disability, or (iii)  
29 death;

30 (b) The payment by an employer, without deduction from the  
31 remuneration of the employee, of the tax imposed upon an employee under

1 section 3101 of the Internal Revenue Code as defined in section  
2 49-801.01;

3 (c) Any payment on account of sickness or accident disability, or  
4 medical or hospitalization expenses in connection with sickness or  
5 accident disability, made by an employer to, or on behalf of, an  
6 individual after the expiration of six calendar months following the last  
7 calendar month in which such individual worked for such employer;

8 (d) Any payment made to, or on behalf of, an individual or his or  
9 her beneficiary (i) from or to a trust described in section 401(a) of the  
10 Internal Revenue Code as defined in section 49-801.01 which is exempt  
11 from tax under section 501(a) of the Internal Revenue Code as defined in  
12 section 49-801.01 at the time of such payment unless such payment is made  
13 to an employee of the trust as remuneration for services rendered as such  
14 employee and not as a beneficiary of the trust or (ii) under or to an  
15 annuity plan which, at the time of such payment, meets the requirements  
16 of section 401 of the Internal Revenue Code as defined in section  
17 49-801.01;

18 (e) Any payment made to, or on behalf of, an employee or his or her  
19 beneficiary (i) under a simplified employee pension as defined by the  
20 commissioner, (ii) under or to an annuity contract as defined by the  
21 commissioner, other than a payment for the purchase of such contract  
22 which is made by reason of a salary reduction agreement, whether  
23 evidenced by a written instrument or otherwise, (iii) under or to an  
24 exempt governmental deferred compensation plan as defined by the  
25 commissioner, (iv) to supplement pension benefits under a plan or trust,  
26 as defined by the commissioner, to take into account some portion or all  
27 of the increase in the cost of living since retirement, but only if such  
28 supplemental payments are under a plan which is treated as a welfare  
29 plan, or (v) under a cafeteria benefits plan;

30 (f) Remuneration paid in any medium other than cash to an individual  
31 for service not in the course of the employer's trade or business;

1 (g) Benefits paid under a supplemental unemployment benefit plan  
2 which satisfies the eight points set forth in Internal Revenue Service  
3 Revenue Ruling 56-249 as the ruling existed on January 1, 2015, and is in  
4 compliance with the standards set forth in Internal Revenue Service  
5 Revenue Rulings 58-128 and 60-330 as the rulings existed on January 1,  
6 2015; and

7 (h) Remuneration for service performed in the employ of any state in  
8 the exercise of his or her duties as a member of the Army National Guard  
9 or Air National Guard or in the employ of the United States of America as  
10 a member of any military reserve unit;

11 (36) Week means such period of seven consecutive days as the  
12 commissioner may by rule and regulation prescribe;

13 (37) Week of unemployment with respect to any individual means any  
14 week during which he or she performs less than full-time work and the  
15 wages payable to him or her with respect to such week are less than his  
16 or her weekly benefit amount;

17 (38) Wholly owned subsidiary means a corporation, company, or other  
18 entity which has eighty percent or more of its outstanding voting stock  
19 or membership owned or controlled, directly or indirectly, by the parent  
20 entity; and

21 (39) Worksite employee has the same meaning as the term covered  
22 employee in section 48-2702.

23 **Sec. 12.** Section 48-622.01, Revised Statutes Supplement, 2025, is  
24 amended to read:

25 48-622.01 There is hereby created in the state treasury a special  
26 fund to be known as the State Unemployment Insurance Trust Fund. The fund  
27 terminates on July 1, 2025, and the State Treasurer shall transfer any  
28 money in the fund on such date to the Workforce Development Program Cash  
29 Fund. Beginning July 1, 2025, all state unemployment insurance tax  
30 collected under sections 48-648 to 48-661, less refunds, shall be paid  
31 into the Workforce Development Program Cash Fund and the Business

1 Innovation Cash Fund.

2 **Sec. 13.** Section 48-648, Revised Statutes Supplement, 2025, is  
3 amended to read:

4 48-648 (1) With respect to wages for employment, combined tax shall  
5 accrue and become payable by each employer not otherwise entitled to make  
6 payments in lieu of contributions for each calendar year in which he or  
7 she is subject to the Employment Security Law. Such combined tax shall  
8 become due and be paid by each employer to the commissioner for the  
9 Workforce Development Program Cash Fund, the Business Innovation Cash  
10 Fund, and the Unemployment Trust Fund in such manner and at such times as  
11 the commissioner may, by rule and regulation, prescribe. Such combined  
12 tax shall not be deducted, in whole or in part, from the wages of  
13 individuals in such employer's employ.

14 (2) The commissioner may require any employer whose annual payroll  
15 for either of the two preceding calendar years has equaled or exceeded  
16 one hundred thousand dollars to file combined tax returns and pay  
17 combined taxes owed by an electronic method approved by the commissioner,  
18 except when the employer establishes to the satisfaction of the  
19 commissioner that filing the combined tax return or payment of the tax by  
20 an electronic method would create a hardship for the employer.

21 (3) In the payment of any combined tax, a fractional part of a cent  
22 shall be disregarded unless it amounts to one-half cent or more, in which  
23 case it shall be increased to one cent. If the combined tax due for any  
24 reporting period is less than five dollars, the employer need not remit  
25 the combined tax.

26 (4) If two or more related corporations or limited liability  
27 companies concurrently employ the same individual and compensate such  
28 individual through a common paymaster which is one of such corporations  
29 or limited liability companies, each such corporation or limited  
30 liability company shall be considered to have paid as remuneration to  
31 such individual only the amounts actually disbursed by it to such

1 individual and shall not be considered to have paid as remuneration to  
2 such individual amounts actually disbursed to such individual by another  
3 of such corporations or limited liability companies. An employee of a  
4 wholly owned subsidiary shall be considered to be concurrently employed  
5 by the parent corporation, company, or other entity and the wholly owned  
6 subsidiary whether or not both companies separately provide remuneration.

7 (5) The professional employer organization shall report and pay  
8 combined tax, penalties, and interest owed for wages earned by worksite  
9 employees under the client's employer account number using the client's  
10 combined tax rate. The client is liable for the payment of unpaid  
11 combined tax, penalties, and interest owed for wages paid to worksite  
12 employees, and the worksite employees shall be considered employees of  
13 the client for purposes of the Employment Security Law.

14 (6) The Commissioner of Labor may require by rule and regulation  
15 that each employer subject to the Employment Security Law shall submit to  
16 the commissioner quarterly wage reports on such forms and in such manner  
17 as the commissioner may prescribe. The commissioner may require by rule  
18 and regulation an annual administrative and operational support fee for  
19 such reports for employers eligible for experience rating under section  
20 48-649.03 regardless of their election to be contributory or  
21 reimbursable. The annual administrative and operational support fee shall  
22 be a graduated fee based upon gross wages paid for the prior calendar  
23 year. Each employer shall be assigned a fee category pursuant to the  
24 table below.

<u>Gross Wages Paid - Previous Calendar</u>	<u>Category</u>
<u>Year</u>	
<u>\$0</u>	<u>1</u>
<u>\$0.01 to \$49,999.99</u>	<u>2</u>
<u>\$50,000 to \$99,999.99</u>	<u>3</u>
<u>\$100,000 to \$249,999.99</u>	<u>4</u>
<u>\$250,000 to \$499,999.99</u>	<u>5</u>

1	<u>\$500,000 to \$999,999.99</u>	<u>6</u>
2	<u>\$1,000,000 to \$1,999,999.99</u>	<u>7</u>
3	<u>\$2,000,000 to \$2,999,999.99</u>	<u>8</u>
4	<u>\$3,000,000 to \$3,999,999.99</u>	<u>9</u>
5	<u>\$4,000,000 to \$4,999,999.99</u>	<u>10</u>
6	<u>\$5,000,000 to \$5,999,999.99</u>	<u>11</u>
7	<u>\$6,000,000 to \$6,999,999.99</u>	<u>12</u>
8	<u>\$7,000,000 to \$7,999,999.99</u>	<u>13</u>
9	<u>\$8,000,000 to \$8,999,999.99</u>	<u>14</u>
10	<u>\$9,000,000 to \$9,999,999.99</u>	<u>15</u>
11	<u>\$10,000,000 or more</u>	<u>16</u>

12       The commissioner shall remit the annual administrative and  
13 operational support fee to the State Treasurer for credit to the  
14 Contractor, Business, and Professional Employer Organization Registration  
15 Cash Fund. If the balance of the Contractor, Business, and Professional  
16 Employer Organization Registration Cash Fund reaches or exceeds fifteen  
17 million dollars at the close of any fiscal year, the commissioner shall,  
18 by rule and regulation, ratably reduce the annual administrative and  
19 operational support fee for the subsequent year in an amount sufficient  
20 to maintain the fund balance at or below such amount. The commissioner  
21 may require any employer whose annual payroll for either of the two  
22 preceding calendar years has equaled or exceeded one hundred thousand  
23 dollars to file wage reports by an electronic method approved by the  
24 commissioner, except when the employer establishes to the satisfaction of  
25 the commissioner that filing by an electronic method would create a  
26 hardship for the employer. The quarterly wage reports shall be used by  
27 the commissioner to make monetary determinations of claims for benefits.

28       **Sec. 14.** Section 48-649.01, Revised Statutes Supplement, 2025, is  
29 amended to read:

30       48-649.01 (1) By December 1 of each calendar year, the commissioner  
31 shall determine the state unemployment insurance tax rate for the

1 following year based on information available through the department.

2 (2) If the state unemployment insurance tax rate is determined to be  
3 zero percent pursuant to subsection (1) of this section, the contribution  
4 rate for all employers shall equal one hundred percent of the combined  
5 tax rate.

6 (3) If the state unemployment insurance tax rate is not zero percent  
7 as determined in this section, the combined tax rate shall be divided so  
8 that not less than fifty ~~eighty~~ percent of the combined tax rate equals  
9 the contribution rate and not more than fifty ~~twenty~~ percent of the  
10 combined tax rate equals the state unemployment insurance tax rate except  
11 for employers who are assigned a combined tax rate of five and four-  
12 tenths percent or more. For those employers, the state unemployment  
13 insurance tax rate shall equal zero and their combined tax rate shall  
14 equal their contribution rate.

15 (4) On or before December 31 of each calendar year, the commissioner  
16 shall designate the percentage and proportion of the state unemployment  
17 insurance tax rate that shall be remitted to the Workforce Development  
18 Program Cash Fund for the support of workforce development programs and  
19 to the Business Innovation Cash Fund for the support of workforce  
20 innovation programs. The department shall execute a memorandum of  
21 understanding with the Department of Economic Development before  
22 September 30 of each calendar year to ensure the commissioner receives  
23 sufficient information regarding the current status of programs  
24 administered under the Business Innovation Act, including any data  
25 necessary for the commissioner to make an informed determination pursuant  
26 to this section.

27 **Sec. 15.** Section 48-657, Revised Statutes Supplement, 2025, is  
28 amended to read:

29 48-657 (1)(a) If any employer defaults in any payment of combined  
30 tax or interest, the commissioner may make in any manner feasible and  
31 cause to be filed as a secured transaction as provided in article 9,

1 Uniform Commercial Code, and in the real estate mortgage records of any  
2 county in which such employer is engaged in business or owns real or  
3 personal property, a statement, under oath, showing the amount of  
4 combined tax and interest in default, which statement, when filed for  
5 record, shall operate as a lien and mortgage on all of the real and  
6 personal property of the employer, subject only to the liens of prior  
7 record, and the property of such employer shall be subject to seizure and  
8 sale for the payment of such combined taxes and interest. Such lien on  
9 personal property may be enforced or dissolved in the manner provided by  
10 article 9, Uniform Commercial Code, and such liens on real estate may be  
11 enforced or dissolved in the manner provided by Chapter 25, article 21,  
12 in the enforcing and dissolving of real estate mortgages. This  
13 subdivision shall only apply to liens filed prior to May 1, 1999.

14 (b) A lien for unpaid combined taxes filed or recorded pursuant to  
15 subdivision (a) of this subsection shall lapse at the earlier of its  
16 expiration date or the fifth anniversary of the filing or recording date,  
17 unless the commissioner files a notice of continuation in the place of  
18 the original filing or recording and with the appropriate filing officer  
19 in the manner provided for in the Uniform State Tax Lien Registration and  
20 Enforcement Act before such lien lapses. A notice of continuation shall  
21 include all of the information required by the act, the date of the  
22 filing or recording of the original lien, and a statement that the  
23 original lien is to be continued for ten years. Thereafter, such lien  
24 shall be enforced and notices of continuation filed in accordance with  
25 the act.

26 (c) On and after May 1, 1999, if any employer defaults in any  
27 payment of combined tax or interest, the commissioner may file a lien  
28 against such employer in accordance with the Uniform State Tax Lien  
29 Registration and Enforcement Act. Such liens shall set forth the amount  
30 of combined tax and interest in default and shall be continued and  
31 enforced as provided in the Uniform State Tax Lien Registration and

1 Enforcement Act.

2 (2) It shall be the duty of the State of Nebraska, or any department  
3 or agency thereof, county boards, the contracting board of all cities,  
4 villages, and school districts, all public boards empowered by law to  
5 enter into a contract by public bidding for the erecting and finishing or  
6 the repairing of any public building, bridge, highway, or other public  
7 structure or improvement, and any officer or officers so empowered by law  
8 to enter into such contract to provide in such contract that the person,  
9 persons, firm, or corporation to whom the contract is awarded will pay to  
10 the Unemployment Compensation Fund of the State of Nebraska, the Business  
11 Innovation Cash Fund, and the Workforce Development Program Cash Fund  
12 unemployment combined tax and interest due under the Employment Security  
13 Law on wages paid to individuals employed in the performance of such  
14 contract.

15 (3) No contract referred to in subsection (2) of this section shall  
16 be entered into by the State of Nebraska, a department or agency thereof,  
17 an officer or officers, or a board referred to in such subsection unless  
18 the contract contains the proviso mentioned in such subsection.

19 (4) Before final payment may be made on the final three percent of  
20 any such contract awarded on or after June 1, 1957, the State of  
21 Nebraska, department or agency thereof, officer or officers, or board  
22 awarding the contract must have received from the contractor a written  
23 clearance from the commissioner certifying that all payments then due of  
24 combined tax or interest which may have arisen under such contract have  
25 been made by the contractor or his or her subcontractor to the  
26 Unemployment Compensation Fund.

27 (5) The final three percent of any such contract referred to in  
28 subsection (4) of this section may be paid if the contractor has supplied  
29 a bond with a satisfactory surety company guaranteeing full payment to  
30 the Unemployment Compensation Fund, the Business Innovation Cash Fund,  
31 and the Workforce Development Program Cash Fund of all combined tax and

1 interest due under the Employment Security Law.

2 **Sec. 16.** Section 48-1231, Reissue Revised Statutes of Nebraska, is  
3 amended to read:

4 48-1231 (1) An employee having a claim for wages which are not paid  
5 within thirty days of the regular payday designated or agreed upon may  
6 institute suit for such unpaid wages in the proper court. If an employee  
7 establishes a claim and secures judgment on the claim, such employee  
8 shall be entitled to recover the full amount of the judgment and all  
9 costs of such suit, including reasonable attorney's fees. If the cause is  
10 taken to an appellate court and the employee recovers a judgment, the  
11 appellate court shall award reasonable attorney's fees to the employee.  
12 If the employee fails to recover a judgment in excess of the amount that  
13 may have been tendered within thirty days of the regular payday by an  
14 employer, such employee shall not recover the attorney's fees provided by  
15 this subsection. If the court finds that no reasonable dispute existed as  
16 to the fact that wages were owed or as to the amount of such wages, the  
17 court may order the employee to pay the employer's attorney's fees and  
18 costs of the action as assessed by the court.

19 (2) If an employee works for an employer that is not subject to the  
20 Nebraska Fair Employment Practice Act and such employee is aggrieved by a  
21 violation of section 48-1235, the employee may bring a suit against such  
22 employer in the proper court to recover the damages sustained by reason  
23 of such violation. If an employee prevails in a suit brought pursuant to  
24 this subsection, such employee shall be entitled to recover the full  
25 amount of the judgment and all costs of such suit, including reasonable  
26 attorney's fees. If the cause is taken to an appellate court and the  
27 employee recovers a judgment, the appellate court shall award reasonable  
28 attorney's fees to the employee.

29 ~~(3) An employer who fails to furnish a wage statement under~~  
30 ~~subsection (2) of section 48-1230 shall be guilty of an infraction as~~  
31 ~~defined in section 29-431 and shall be subject to a fine pursuant to~~

1 ~~section 29-436.~~

2 (3) (4) If an employee institutes suit against an employer under  
3 subsection (1) or (2) of this section, any citation that is issued  
4 against such employer under section 48-1234 and that relates directly to  
5 the facts in dispute shall be admitted into evidence unless specifically  
6 excluded by the court. If a citation has been contested as described in  
7 subsection (3) of section 48-1234, it shall not be admitted into evidence  
8 under this subsection until after such contest has been resolved.

9 **Sec. 17.** Section 48-1233, Reissue Revised Statutes of Nebraska, is  
10 amended to read:

11 48-1233 (1) The Commissioner of Labor shall have the authority to  
12 subpoena records and witnesses related to the enforcement of the Nebraska  
13 Wage Payment and Collection Act. The commissioner or his or her agent may  
14 inspect all related records and gather testimony on any matter relative  
15 to the enforcement of the act when the information sought is relevant to  
16 a lawful investigative purpose and is reasonable in scope.

17 (2) In case of contumacy by or refusal to obey a subpoena issued to  
18 any person, any court of competent jurisdiction, upon application by the  
19 commissioner, may issue to that person an order requiring such person to  
20 appear before the commissioner or the officer designated by the  
21 commissioner to produce documentary evidence if so ordered or to give  
22 evidence touching on the matter under investigation or in question. Any  
23 failure to obey the order of the court may be punished by the court as a  
24 contempt of the court.

25 **Sec. 18.** Section 48-1234, Reissue Revised Statutes of Nebraska, is  
26 amended to read:

27 48-1234 (1) The Commissioner of Labor shall issue a citation to an  
28 employer when an investigation reveals that the employer may have  
29 violated the Nebraska Wage Payment and Collection Act ~~, other than a~~  
30 ~~violation of subsection (2) of section 48-1230.~~

31 (2) When a citation is issued, the commissioner shall notify the

1 employer of the proposed administrative penalty, if any, by certified  
2 mail or any other manner of delivery by which the United States Postal  
3 Service can verify delivery or by any method of service recognized under  
4 Chapter 25, article 5. The administrative penalty shall be not more than  
5 five hundred dollars in the case of a first violation and not more than  
6 five thousand dollars in the case of a second or subsequent violation.

7 (3) The employer has fifteen working days after the date of the  
8 citation or penalty to contest such citation or penalty. Notice of  
9 contest shall be sent to the commissioner who shall provide a hearing in  
10 accordance with the Administrative Procedure Act.

11 (4) Any employer who has an unpaid citation for a violation of the  
12 Nebraska Wage Payment and Collection Act shall be barred from contracting  
13 with the state or any political subdivision until such citation is paid.  
14 If a citation has been contested as described in subsection (3) of this  
15 section, it shall not be considered an unpaid citation under this  
16 subsection until after such contest has been resolved.

17 (5) Citations issued under this section and the names of employers  
18 who have been issued a citation shall be made available to the public  
19 upon request, except that this subsection shall not apply to any  
20 citations that are being contested as described in subsection (3) of this  
21 section.

22 **Sec. 19.** Section 48-1706, Reissue Revised Statutes of Nebraska, is  
23 amended to read:

24 48-1706 Each application shall be accompanied by a fee. The  
25 Commissioner of Labor shall establish the amount of the fee, which shall  
26 not exceed seven hundred fifty dollars, by rule and regulation. The fee  
27 shall be established with due regard for the costs of administering the  
28 Farm Labor Contractors Act. All fees so collected shall be deposited in  
29 the Contractor, Business, and Professional Employer Organization  
30 Registration Cash Fund.

31 **Sec. 20.** Section 48-2107, Revised Statutes Cumulative Supplement,

1 2024, is amended to read:

2 48-2107 ~~(1)~~—Each application or renewal under section 48-2105 shall  
3 be signed by the applicant and accompanied by a fee not to exceed forty  
4 dollars. The commissioner may adopt and promulgate rules and regulations  
5 to establish the criteria for acceptability of filing documents and  
6 making payments electronically. The criteria may include requirements for  
7 electronic signatures. The commissioner may refuse to accept any  
8 electronic filings or payments that do not meet the criteria established.  
9 The fee shall not be required when an amendment to an application is  
10 submitted. The commissioner shall remit the fees collected under this  
11 section subsection to the State Treasurer for credit to the Contractor,  
12 Business, and Professional Employer Organization Registration Cash Fund.

13 ~~(2) A contractor shall not be required to pay the fee under~~  
14 ~~subsection (1) of this section if (a) the contractor is self-employed and~~  
15 ~~does not pay more than three thousand dollars annually to employ other~~  
16 ~~persons in the business and the application contains a statement made~~  
17 ~~under oath or equivalent affirmation setting forth such information or~~  
18 ~~(b) the contractor only engages in the construction of water wells or~~  
19 ~~installation of septic systems. At any time that a contractor no longer~~  
20 ~~qualifies for exemption from the fee, the fee shall be paid to the~~  
21 ~~department. Any false statement made under subdivision (2)(a) of this~~  
22 ~~section shall be a violation of section 28-915.01.~~

23 **Sec. 21.** Section 48-2710, Reissue Revised Statutes of Nebraska, is  
24 amended to read:

25 48-2710 (1) The department shall adopt a schedule of fees for  
26 initial registration, annual registration renewal, and limited  
27 registration, not to exceed two thousand five hundred dollars for initial  
28 registration, one thousand five hundred dollars for annual registration  
29 renewal, and one thousand dollars for limited registration. Such fees  
30 shall not exceed those reasonably necessary for the administration of the  
31 Professional Employer Organization Registration Act.

1 (2) Fees imposed pursuant to this section shall be remitted to the  
2 State Treasurer for credit to the Contractor, Business, and Professional  
3 Employer Organization Registration Cash Fund.

4 **Sec. 22.** Section 48-2905, Reissue Revised Statutes of Nebraska, is  
5 amended to read:

6 48-2905 (1) The commissioner may make such investigations as he or  
7 she finds necessary or appropriate to determine whether there is  
8 compliance with the Employee Classification Act. Investigations shall  
9 take place at the times and places as the commissioner directs. For  
10 purposes of any investigation under this section, the commissioner or any  
11 person designated by him or her may interview persons at the worksite,  
12 take photographs, and utilize other reasonable investigatory techniques.  
13 The conduct of the investigation shall be such as to preclude  
14 unreasonable disruption of the operations of the worksite. Investigations  
15 may be conducted, without prior notice, by correspondence, telephone  
16 conversations, or review of materials submitted to the department.

17 (2) The commissioner or any officer designated by him or her shall  
18 have the power to administer oaths and affirmations, issue subpoenas,  
19 compel the attendance of witnesses, take evidence, and require the  
20 production of any books, papers, correspondence, memoranda, agreements,  
21 or other documents or records which the commissioner deems relevant or  
22 material to the inquiry.

23 (3) In case of contumacy by or refusal to obey a subpoena issued to  
24 any person, any court of competent jurisdiction, upon application by the  
25 commissioner, may issue to that person an order requiring such person to  
26 appear before the commissioner or the officer designated by the  
27 commissioner to produce documentary evidence if so ordered or to give  
28 evidence touching on the matter under investigation or in question. Any  
29 failure to obey the order of the court may be punished by the court as a  
30 contempt of the court.

31 (4) The department shall establish and operate a hotline and website

1 ~~for individuals to report suspected violations of the Employee~~  
2 ~~Classification Act. The hotline and website may be operated in~~  
3 ~~conjunction with the requirements of the Contractor Registration Act. At~~  
4 ~~a minimum, the department shall require the reporting individual to~~  
5 ~~provide contact information and a description of the suspected violation~~  
6 ~~including the name of the business and job site location. Except to the~~  
7 ~~extent needed in any administrative hearing, civil action, or criminal~~  
8 ~~proceeding brought to enforce the Employment Security Law, Nebraska~~  
9 ~~Revenue Act of 1967, or Nebraska Workers' Compensation Act, information~~  
10 ~~obtained by the department under this section or obtained from any~~  
11 ~~individual pursuant to the administration of the Employee Classification~~  
12 ~~Act shall be held confidential.~~

13 **Sec. 23.** Section 81-406, Reissue Revised Statutes of Nebraska, is  
14 amended to read:

15 81-406 (1) The Contractor, Business, and Professional Employer  
16 Organization Registration Cash Fund is created. The fund shall be  
17 administered by the Department of Labor and shall consist of fees  
18 collected by the department pursuant to the Farm Labor Contractors Act,  
19 the Contractor Registration Act, and the Professional Employer  
20 Organization Registration Act, the annual administrative and operational  
21 support fee described in section 48-648, and such sums as are  
22 appropriated to the fund by the Legislature.

23 (2) The fund shall be used for:

24 (a) Enforcing enforcing and administering:

25 (i) The Employment Security Law;

26 (ii) The ~~the~~ Farm Labor Contractors Act;

27 (iii) The ~~, the~~ Contractor Registration Act;

28 (iv) The ~~, the~~ Employee Classification Act;

29 (v) The ~~, and the~~ Professional Employer Organization Registration  
30 Act; -

31 (vi) The Non-English-Speaking Workers Protection Act;

- 1        (vii) The Wage and Hour Act;
- 2        (viii) The Nebraska Wage Payment and Collection Act;
- 3        (ix) The Nebraska Healthy Families and Workplaces Act;
- 4        (x) The child labor provisions found in sections 48-302 to 48-313;
- 5        (xi) The veterans preference provisions found in sections 48-225 to
- 6 48-231 and section 48-238;
- 7        (xii) The military employment provisions found in sections 55-160 to
- 8 55-166; and
- 9        (xiii) The onsite safety and health consultation program provided to
- 10 private sector employers under 29 C.F.R. part 1908;
- 11        (b) Any other purposes related to the proper administration of
- 12 programs under the Department of Labor, as determined by the Commissioner
- 13 of Labor; and
- 14        (c) Workforce development grants to be used in accordance with
- 15 subsection (2) of section 81-407. No transfer from the Contractor,
- 16 Business, and Professional Employer Organization Registration Cash Fund
- 17 shall be made to the Workforce Development Program Cash Fund for this
- 18 purpose except on written authorization by the Governor at the request of
- 19 the Commissioner of Labor.
- 20        (3) Any money in the fund available for investment shall be invested
- 21 by the state investment officer pursuant to the Nebraska Capital
- 22 Expansion Act and the Nebraska State Funds Investment Act. Money in the
- 23 Contractor and Professional Employer Organization Registration Cash Fund
- 24 may be transferred to the General Fund at the direction of the
- 25 Legislature.
- 26        ~~The State Treasurer shall transfer one million seven hundred~~
- 27 ~~thousand dollars from the Contractor and Professional Employer~~
- 28 ~~Organization Registration Cash Fund to the General Fund on or before June~~
- 29 ~~15, 2018, on such dates and in such amounts as directed by the budget~~
- 30 ~~administrator of the budget division of the Department of Administrative~~
- 31 ~~Services.~~

1           **Sec. 24.** Section 81-1201.21, Revised Statutes Supplement, 2025, is  
2 amended to read:

3           81-1201.21 (1) There is hereby created the Job Training Cash Fund.  
4 The fund shall be under the direction of the Department of Economic  
5 Development. Money may be transferred to the fund pursuant to subdivision  
6 (1)(b)(iii) of section 48-621 and from the Cash Reserve Fund at the  
7 direction of the Legislature. The department shall establish a subaccount  
8 for all money transferred from the Cash Reserve Fund to the Job Training  
9 Cash Fund on or after July 1, 2005.

10           (2) The money in the Job Training Cash Fund or the subaccount  
11 established in subsection (1) of this section shall be used (a) to  
12 provide reimbursements for job training activities, including employee  
13 assessment, preemployment training, on-the-job training, training  
14 equipment costs, and other reasonable costs related to helping industry  
15 and business locate or expand in Nebraska, (b) to provide upgrade skills  
16 training of the existing labor force necessary to adapt to new technology  
17 or the introduction of new product lines, or (c) as provided in section  
18 79-2308. The department shall give a preference to job training  
19 activities carried out in whole or in part within an enterprise zone  
20 designated pursuant to the Enterprise Zone Act or an opportunity zone  
21 designated pursuant to the federal Tax Cuts and Jobs Act, Public Law  
22 115-97.

23           (3) The department shall establish a subaccount within the fund to  
24 provide training grants for training employees and potential employees of  
25 businesses that (a) employ twenty-five or fewer employees on the  
26 application date, (b) employ, or train for potential employment,  
27 residents of rural areas of Nebraska, or (c) are located in or employ, or  
28 train for potential employment, residents of high-poverty areas as  
29 defined in section 81-1203. The department shall calculate the amount of  
30 prior year investment income earnings accruing to the fund and allocate  
31 such amount to the subaccount for training grants under this subsection.

1 The subaccount shall also be used as provided in the Teleworker Job  
2 Creation Act. The department shall give a preference to training grants  
3 for businesses located in whole or in part within an enterprise zone  
4 designated pursuant to the Enterprise Zone Act.

5 (4) On April 5, 2018, any funds that were dedicated to carrying out  
6 sections 25 to 27 of this act ~~81-1210.01 to 81-1210.03~~ but were not yet  
7 expended shall be transferred to the Intern Nebraska Cash Fund.

8 (5) Transfers may be made from the Job Training Cash Fund to the  
9 General Fund at the direction of the Legislature. Any money in the Job  
10 Training Cash Fund available for investment shall be invested by the  
11 state investment officer pursuant to the Nebraska Capital Expansion Act  
12 and the Nebraska State Funds Investment Act.

13 **Sec. 25.** Section 81-1210.01, Reissue Revised Statutes of Nebraska,  
14 is amended to read:

15 ~~81-1210.01~~ For purposes of sections 25 to 27 of this act ~~81-1210.01~~  
16 ~~to 81-1210.03~~:

17 (1) Department means the Department of Labor ~~Economic Development~~;

18 (2) Internship means employment of a student in a professional or  
19 technical position for a limited period of time, by a business in  
20 Nebraska, in which the student:

21 (a) Gains valuable applied work experiences;

22 (b) Increases knowledge and develops connections that assist with  
23 career decisionmaking;

24 (c) Has the opportunity to match with an employer seeking talent to  
25 evaluate, develop, and retain; or

26 (d) Receives credited or certified training for skilled positions  
27 that will help resolve skilled workforce shortages and create talent  
28 pipelines for Nebraska industries; and

29 (3) Student means any person who:

30 (a) Is in eleventh or twelfth grade in a public or private high  
31 school or a school which elects pursuant to section 79-1601 not to meet

1 accreditation or approval requirements in Nebraska;

2 (b) Is enrolled in a college, a university, a certified training  
3 institution, or some other institution of higher education; or

4 (c) Applies for an internship within twelve months following  
5 graduation from a public or private secondary school, a school that  
6 elects pursuant to section 79-1601 not to meet accreditation or approval  
7 requirements in Nebraska, or a college, a university, a certified  
8 training institution, or some other institution of higher education.

9 **Sec. 26.** Section 81-1210.02, Reissue Revised Statutes of Nebraska,  
10 is amended to read:

11 ~~81-1210.02~~ (1) The intent of sections 25 to 27 of this act  
12 ~~81-1210.01 to 81-1210.03~~ is to provide students with valuable internship  
13 opportunities in order to retain such students in the State of Nebraska  
14 at institutions of higher education, convert students to full-time  
15 employment in Nebraska, and attract workers to Nebraska by assisting  
16 Nebraska businesses willing to provide paid internships.

17 (2) A business may apply to the department for a grant to assist in  
18 providing a student an internship if:

19 (a) The business certifies that the internship meets the definition  
20 of internship in section 25 of this act ~~81-1210.01~~;

21 (b) The business will pay the student at least the state minimum  
22 hourly wage for the internship;

23 (c) The internship will be completed within the State of Nebraska;

24 (d) The internship will be completed within a period of no more than  
25 twenty-four months; and

26 (e) The internship will be for a duration sufficient to allow the  
27 student to gain significant valuable work experience and knowledge.

28 (3)(a) The department may provide grants for internships to  
29 reimburse the cost of wages paid to businesses with less than one hundred  
30 fifty full-time-equivalent employees.

31 (b) The department may also provide grants for internships to any

1 business to reimburse the costs for any of the following:

2 (i) Tuition reimbursement for courses at institutions of higher  
3 education;

4 (ii) Internship housing;

5 (iii) Transportation expenses relating to internships; and

6 (iv) Internship administrative or recruitment costs.

7 (c) The maximum grant award per internship is seven thousand five  
8 hundred dollars.

9 (4) A business may apply for no more than two grants for the same  
10 student and shall not be awarded more than one hundred grants total in  
11 any twelve-month period.

12 (5) A business may allow a student to telecommute if the business is  
13 located in Nebraska and the college, university, or other institution of  
14 higher education in which the student is enrolled is in Nebraska.

15 (6) The department shall, to the extent possible, assure that the  
16 distribution of grants under sections 25 to 27 of this act ~~81-1210.01 to~~  
17 ~~81-1210.03~~ provides equitable access to the grants by all geographic  
18 areas of the state.

19 (7) The department shall, to the extent possible, assure that the  
20 grants awarded pursuant to sections 25 to 27 of this act ~~81-1210.01 to~~  
21 ~~81-1210.03~~ are for internships which provide valuable learning  
22 opportunities for students who will be seeking employment in a  
23 professional or technical field.

24 (8) The department shall not allocate more than one million five  
25 hundred thousand dollars in any one fiscal year from the Job Training  
26 Cash Fund or its subaccounts for purposes of this section. The department  
27 may receive funds from public, private, or other sources for purposes of  
28 this section.

29 (9) The department shall develop a qualified action plan by January  
30 1 of each even-numbered year. The plan shall, at a minimum, set forth the  
31 department's priorities and selection criteria for awarding grants for

1 internships. In order to encourage students from across Nebraska to  
2 pursue internships, the plan shall also include strategies for  
3 affirmatively marketing internships to Nebraska students in high schools,  
4 colleges, universities, and other institutions of higher education in  
5 Nebraska. Such strategies shall place an emphasis on marketing to  
6 underserved student populations as defined by the department in the plan.  
7 The department shall submit the plan to the Governor for approval.

8 (10) ~~The department shall execute a memorandum of understanding with~~  
9 ~~the Department of Labor before December 31, 2022, to ensure the exchange~~  
10 ~~of available Department of Labor data throughout the continuum from~~  
11 ~~prekindergarten to postsecondary education to the workforce. The~~  
12 department may utilize data and agreements under sections 79-776, 85-110,  
13 85-309, and 85-1511.

14 (11) The department shall submit an annual report to the Governor  
15 and the Legislature on or before July 1 of each year which includes, but  
16 is not limited to, a description of the demand for internship grants and  
17 programs under sections 25 to 27 of this act ~~81-1210.01 to 81-1210.03~~  
18 from all geographic regions in Nebraska, a listing of the recipients and  
19 amounts of internship grants awarded in the previous fiscal year, the  
20 impact of the internship grants, and an evaluation of the internship  
21 grants and programs under sections 25 to 27 of this act ~~81-1210.01 to~~  
22 ~~81-1210.03~~ based on the documented goals of the recipients. The report  
23 submitted to the Legislature shall be submitted electronically. The  
24 department may require recipients to provide periodic performance reports  
25 to enable the department to fulfill the requirements of this subsection.  
26 The report shall contain no information that is protected by state or  
27 federal confidentiality laws.

28 (12) The department may enter into a contract with a Nebraska-based  
29 nonprofit entity for the purposes of carrying out any or all of the  
30 provisions of sections 25 to 27 of this act ~~81-1210.01 to 81-1210.03~~.

31 **Sec. 27.** Section 81-1210.03, Reissue Revised Statutes of Nebraska,

1 is amended to read:

2 ~~81-1210.03~~ The department may adopt and promulgate rules and  
3 regulations to govern the award and disbursement of grants pursuant to  
4 sections 25 to 27 of this act ~~81-1210.01 to 81-1210.03~~.

5 **Sec. 28.** Section 81-1210.04, Revised Statutes Supplement, 2025, is  
6 amended to read:

7 ~~81-1210.04~~ (1) The Intern Nebraska Cash Fund is created. The fund  
8 shall be used to carry out sections 25 to 27 of this act ~~81-1210.01 to~~  
9 ~~81-1210.03~~. The fund shall consist of money transferred to the fund by  
10 the Legislature and money donated as gifts, bequests, or other  
11 contributions from public or private entities. Transfers may be made from  
12 the fund to the General Fund at the direction of the Legislature. Any  
13 money in the Intern Nebraska Cash Fund available for investment shall be  
14 invested by the state investment officer pursuant to the Nebraska Capital  
15 Expansion Act and the Nebraska State Funds Investment Act.

16 (2) The Department of Labor Economic Development, or any entity with  
17 which the department contracts for such purpose, may use up to five  
18 percent of any appropriation to carry out sections 25 to 27 of this act  
19 ~~81-1210.01 to 81-1210.03~~ for administrative services.

20 **Sec. 29.** Section 81-12,152, Reissue Revised Statutes of Nebraska, is  
21 amended to read:

22 81-12,152 Sections 81-12,152 to 81-12,166 and section 32 of this act  
23 shall be known and may be cited as the Business Innovation Act.

24 **Sec. 30.** Section 81-12,154, Reissue Revised Statutes of Nebraska, is  
25 amended to read:

26 81-12,154 The purpose of the Business Innovation Act is to encourage  
27 and support the transfer of Nebraska-based technology and innovation in  
28 rural and urban areas of Nebraska in order to create high growth, high  
29 technological companies, small businesses, and microenterprises and to  
30 enhance creation of wealth and quality jobs. The Legislature finds that  
31 the act will:

1 (1) Provide technical assistance planning grants pursuant to section  
2 81-12,157 to facilitate phase one applications for the federal grant  
3 program;

4 (2) Provide financial assistance pursuant to section 81-12,157 to  
5 companies receiving phase one and phase two grants pursuant to the  
6 federal grant program;

7 (3) Provide financial assistance pursuant to section 81-12,158 to  
8 companies or individuals creating prototypes;

9 (4) Establish a financial assistance program pursuant to section  
10 81-12,159 for innovation in value-added agriculture;

11 (5) Establish a financial assistance program for innovation in  
12 biosciences;

13 (6) Establish a financial assistance program pursuant to section  
14 81-12,160 to identify commercial products and processes;

15 (7) Provide financial assistance pursuant to section 81-12,161 to  
16 companies using Nebraska public or private college and university  
17 researchers and facilities for applied research projects;

18 (8) Provide support and funding pursuant to section 81-12,162 for  
19 microlending entities, microenterprise entities, and innovation hubs; ~~and~~

20 (9) Provide support for locally owned and operated Nebraska-based,  
21 high growth businesses by providing technical resources to foster  
22 development, growth, and high wage creation. For purposes of this  
23 subdivision, Nebraska-based, high growth business means a corporation,  
24 partnership, limited liability company, limited partnership, or limited  
25 liability partnership registered with the Secretary of State that has two  
26 to fifty employees and has annual sales of no less than five hundred  
27 thousand dollars and no more than two million five hundred thousand  
28 dollars; ~~and -~~

29 (10) Establish that any entity receiving financial assistance under  
30 the Business Innovation Act and that employs any person in this state,  
31 whether or not such entity is subject to the Employment Security Law,

1 shall be required to submit to the Department of Labor quarterly wage  
2 reports on such forms and in such manner as the Commissioner of Labor may  
3 require.

4 **Sec. 31.** Section 81-12,155, Reissue Revised Statutes of Nebraska, is  
5 amended to read:

6 81-12,155 In selecting projects to receive financial assistance  
7 under the Business Innovation Act, the department shall develop a  
8 qualified action plan by January 1 of each even-numbered year. The plan  
9 shall set forth selection criteria to be used to determine priorities  
10 which are appropriate to local conditions and the state's economy,  
11 including the state's immediate need for innovation development, proposed  
12 increases in jobs and investment, private dollars leveraged, industry  
13 support and participation, and repayment, in part or in whole, of  
14 financial assistance awarded under the act. The plan shall also include  
15 selection criteria establishing that any entity applying for financial  
16 assistance under the Business Innovation Act that employs any person in  
17 this state, whether or not such entity is subject to the Employment  
18 Security Law, shall be required to submit to the Department of Labor  
19 quarterly wage reports on such forms and in such manner as the  
20 Commissioner of Labor may require. The department shall submit the plan  
21 to the Governor for approval.

22 **Sec. 32.** (1) The Business Innovation Cash Fund is created. The fund  
23 shall be used to carry out the Business Innovation Act, except that the  
24 fund shall not be used for purposes of sections 81-12,155.01 and  
25 81-12,163.01. The fund shall consist of deposits to the fund as required  
26 by sections 48-648 and 48-649 to 48-649.04. Any money in the fund  
27 available for investment shall be invested by the state investment  
28 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska  
29 State Funds Investment Act.

30 (2) Money in the fund shall be expended by the department for the  
31 purpose of:

1        (a) Carrying out the Business Innovation Act, except that such money  
2 shall not be expended for the purpose of carrying out the Bioscience  
3 Innovation Program; and

4        (b) Payment of unemployment benefits if determined necessary by the  
5 Commissioner of Labor.

6        (3) The department, or any entity with which the department  
7 contracts for such purpose, may use up to five percent of any  
8 appropriation from the fund for administrative expenses.

9        **Sec. 33.** Section 81-12,158, Reissue Revised Statutes of Nebraska, is  
10 amended to read:

11        81-12,158 (1) The department shall establish a financial assistance  
12 program to provide financial assistance to businesses that employ no more  
13 than five hundred employees or to individuals for the purposes of  
14 creating a prototype of a product stemming from research and development  
15 at a business operating in Nebraska or a public or private college or  
16 university in Nebraska.

17        (2)(a) Until three months after April 20, 2022, funds shall be  
18 matched by nonstate funds equivalent in money equal to fifty percent of  
19 the funds requested; and

20        (b) Beginning three months after April 20, 2022, funds shall be  
21 matched by nonstate funds equivalent in money equal to:

22        (i) Twenty-five percent of the funds requested if the applicant's  
23 principal residence or principal place of business is located in an  
24 economic redevelopment area within a city of the metropolitan class; or

25        (ii) Fifty percent of the funds requested for any other applicant.

26        (3) Matching funds may be from any nonstate source, including  
27 private foundations, federal or local government sources, quasi-  
28 governmental entities, or commercial lending institutions, or any other  
29 funds whose source does not include funds appropriated by the  
30 Legislature.

31        (4) The amount the department may provide shall not exceed one

1 hundred fifty thousand dollars per project.

2 (5) A business or individual applying for financial assistance under  
3 this section shall include a business plan that includes a proof-of-  
4 concept demonstration.

5 (6) Financial assistance under this section shall be expended within  
6 twenty-four months after the date of the awarding decision.

7 (7) The department may award up to six million dollars per year for  
8 financial assistance under this section and, beginning in fiscal year  
9 2027-28, shall award a minimum amount per year under this section. Such  
10 minimum amount shall be equal to the lesser of four million dollars or  
11 the total amount needed to fund all applications that qualify for funding  
12 under this section.

13 **Sec. 34.** Section 81-12,160, Reissue Revised Statutes of Nebraska, is  
14 amended to read:

15 81-12,160 (1) The department shall establish a financial assistance  
16 program to provide financial assistance to businesses operating in  
17 Nebraska that employ no more than five hundred employees or to  
18 individuals that have a prototype of a product or process for the  
19 purposes of commercializing such product or process. The applicant shall  
20 submit a feasibility study stating the potential sales and profit  
21 projections for the product or process.

22 (2) The department shall create a program with the following  
23 provisions to support commercialization of a product or process:

24 (a) Commercialization infrastructure documentation, including market  
25 assessments and start-up strategic planning;

26 (b) Promotion, marketing, advertising, and consulting;

27 (c) Management and business planning support;

28 (d) Linking companies and entrepreneurs to mentors;

29 (e) Preparing companies and entrepreneurs to acquire venture  
30 capital; and

31 (f) Linking companies to sources of capital.

1 (3) Funds shall be matched by nonstate funds equal to fifty percent  
2 of the funds requested. Matching funds may be from any nonstate source,  
3 including private foundations, federal or local government sources,  
4 quasi-governmental entities, or commercial lending institutions, or any  
5 other funds whose source does not include funds appropriated by the  
6 Legislature.

7 (4) The department shall not provide more than five hundred thousand  
8 dollars to any one project. The Each year the department may award up to  
9 six million dollars per year under this section and, beginning in fiscal  
10 year 2027-28, shall award a minimum amount per year under this section.  
11 Such minimum amount shall be equal to the lesser of four million dollars  
12 or the total amount needed to fund all applications that qualify for  
13 funding under this section.

14 (5) Financial assistance provided under this section shall be  
15 expended within twenty-four months after the date of the awarding  
16 decision.

17 (6) To carry out this section, the department shall contract with  
18 one statewide venture development organization that is incorporated in  
19 the State of Nebraska and exempt for federal tax purposes under section  
20 501(c)(3) of the Internal Revenue Code.

21 **Sec. 35.** Section 81-12,163, Reissue Revised Statutes of Nebraska, is  
22 amended to read:

23 81-12,163 (1) It is the intent of the Legislature to appropriate  
24 fifteen million dollars to the department for fiscal year 2027-28 and  
25 each fiscal year thereafter for purposes of carrying out the Business  
26 Innovation Act.

27 (2) (1) It is the intent of the Legislature that (a) the four  
28 million dollars saved due to the elimination of funding for the Angel  
29 Investment Tax Credit Act be used to increase the appropriation to the  
30 department for the Business Innovation Act by four million dollars for  
31 fiscal year 2021-22 and each fiscal year thereafter and (b) the one

1 hundred thousand dollars saved due to the reduction in tax credits  
2 authorized under the Angel Investment Tax Credit Act for calendar year  
3 2019 be used to increase the appropriation to the Department of Revenue  
4 by one hundred thousand dollars for fiscal year 2019-20 to offset the  
5 costs incurred by the Department of Revenue to implement Laws 2019,  
6 LB334.

7 ~~(3)~~ (2) Up to five percent of the funds appropriated for the  
8 Business Innovation Act may be used by the department, or by a nonprofit  
9 entity with which the department contracts, for administrative expenses.

10 **Sec. 36.** The Revisor of Statutes shall assign sections 25 to 28 of  
11 this act to Chapter 81, article 4.

12 **Sec. 37.** Original sections 48-309, 48-1231, 48-1233, 48-1234,  
13 48-1706, 48-2710, 48-2905, 81-406, 81-1210.01, 81-1210.02, 81-1210.03,  
14 81-12,152, 81-12,154, 81-12,155, 81-12,158, 81-12,160, and 81-12,163,  
15 Reissue Revised Statutes of Nebraska, sections 29-431, 48-302, 48-303,  
16 and 48-2107, Revised Statutes Cumulative Supplement, 2024, and sections  
17 48-602, 48-622.01, 48-648, 48-649.01, 48-657, 81-1201.21, and 81-1210.04,  
18 Revised Statutes Supplement, 2025, are repealed.

19 **Sec. 38.** The following sections are outright repealed: Sections  
20 48-307, 48-2906, and 48-2909, Reissue Revised Statutes of Nebraska.