

LEGISLATIVE BILL 1209

Approved by the Governor April 16, 2026

Introduced by Clements, 2.

A BILL FOR AN ACT relating to appropriations; to amend Laws 2025, LB261, section 88; Laws 2025, LB261, sections 69, 100, 164, 246, 279, 280, 285, and 300, as amended by sections 59, 75, 99, 119, 125, 126, 127, and 128, respectively, Legislative Bill 1071, One Hundred Ninth Legislature, Second Session, 2026; and section 81, Legislative Bill 1072, One Hundred Ninth Legislature, Second Session, 2026; to define terms; to provide and change appropriations for purposes of carrying out legislation enacted by the One Hundred Ninth Legislature, Second Session, 2026; to change provisions relating to appropriations and a transfer of funds; to repeal the original sections; and to declare an emergency.

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

Section 1. DEFINITION OF APPROPRIATION PERIOD.

For purposes of this act and any other legislative bill passed by the One Hundred Ninth Legislature, First or Second Session, which appropriates funds, FY2025-26 means the period July 1, 2025, through June 30, 2026; FY2026-27 means the period July 1, 2026, through June 30, 2027; FY2027-28 means the period July 1, 2027, through June 30, 2028; and FY2028-29 means the period July 1, 2028, through June 30, 2029.

Sec. 2. APPROPRIATION LANGUAGE.

There are hereby appropriated, for FY2025-26 and FY2026-27, the sums set forth in this act to each agency for each program from the respective funds for the general operations of state government, postsecondary education, and state aid, except as otherwise appropriated.

Sec. 3. UNEXPENDED BALANCES AND CERTIFIED ENCUMBRANCES.

All General Fund appropriations existing on June 30, 2025, in excess of expended and certified encumbrance amounts are hereby lapsed unless otherwise provided. All Cash Fund and Revolving Fund appropriations existing on June 30, 2025, in excess of expended and certified encumbrance amounts are hereby lapsed unless otherwise expressly provided. All certified encumbrance amounts on June 30, 2025, and June 30, 2026, are hereby reappropriated for FY2025-26 and FY2026-27, respectively, which amounts shall be in addition to the amounts shown in this act.

Sec. 4. REAPPROPRIATION OF BALANCE, FY2025-26 to FY2026-27.

In addition to the appropriations set forth in this act, there are hereby reappropriated all unexpended appropriation balances existing on June 30, 2026, for FY2026-27, to the respective agencies, programs, and funds listed in this act, except as otherwise provided in this act.

Sec. 5. There are hereby reappropriated for each agency, program, and fund for FY2025-26 and FY2026-27, any appropriation by the One Hundred Seventh Legislature, First or Second Session, of the unexpended and unencumbered appropriation balances of the Federal Funds allocated to the State of Nebraska from the federal Coronavirus State Fiscal Recovery Fund pursuant to the federal American Rescue Plan Act of 2021, 42 U.S.C. 802, as amended, unless otherwise indicated in this act and any other legislative bill passed by the One Hundred Eighth Legislature, First or Second Session. Such reappropriation shall retain any provided limitations established by the appropriating legislative bill unless otherwise indicated within this act and any other legislative bill passed by the One Hundred Eighth Legislature, First or Second Session.

Sec. 6. NEBRASKA ACCOUNTING SYSTEM MANUAL DEFINITIONS.

The definitions contained in the Nebraska Accounting System Manual, and any amendments thereto, on file with the Clerk of the Legislature, are hereby adopted by the Legislature as the definitions for this act, except as provided in section 7 of this act.

Sec. 7. LIMITATION ON SALARIES, WAGES, AND PER DIEMS.

(1) For purposes of this act, (a) SALARY LIMIT shall mean total expenditures for permanent and temporary salaries and per diems and (b) total expenditures for permanent and temporary salaries and per diems shall mean all remuneration paid to employees treated as taxable compensation by the Internal Revenue Service or subject to social security coverage, specifically including payments accounted for as vacation, holidays, sick leave, military leave, funeral leave, maternity leave, administrative leave, compensatory time, deferred compensation, or any other similar form, and amounts withheld pursuant to law, but excluding state contributions for social security, retirement, and employee insurance plans.

(2) Total expenditures for permanent and temporary salaries and per diems shall be limited to the amount shown except when federal funds in excess of the amount shown are available and approved by the Governor. Expenditures for permanent and temporary salaries and per diems from such grants shall be in addition to the limitation on permanent and temporary salaries and per diems otherwise shown in this act. No agency shall request any state funds for continuation or replacement of any such personnel or activities in future budget requests. To the extent feasible, requests for increases in the

limitation on permanent and temporary salaries and per diems shall be addressed to the Appropriations Committee of the Legislature when the Legislature is in session.

(3) Expenditures for permanent and temporary salaries resulting from awards made to employees under sections 81-1346 to 81-1354 shall be in addition to the limitations on permanent and temporary salaries and per diems otherwise shown in this act.

(4) The limitation on expenditures for permanent and temporary salaries and per diems for FY2026-27 as enumerated in this act shall be the basis for continuation funding for each fiscal year of the succeeding biennium.

(5) The limitation on expenditures for permanent and temporary salaries and per diems for FY2025-26 shall be increased by certified encumbrance amounts from FY2024-25 for permanent and temporary salaries and per diems. The limitation on expenditures for permanent and temporary salaries and per diems for FY2026-27 shall be increased by certified encumbrance amounts from FY2025-26 for permanent and temporary salaries and per diems. Encumbered amounts shall be calculated in accordance with section 81-138.01.

(6) The limitation on expenditures for permanent and temporary salaries and per diems shall only apply to remuneration paid to state employees or per diem payments made to members of state boards or commissions.

(7) The budget administrator of the budget division of the Department of Administrative Services may administratively increase the limitation on expenditures for permanent and temporary salaries and per diems upon receipt of a request for such increase from the director of a state agency certifying the actual amount of the payment to a former employee of such agency, or such employee's beneficiary upon the death of the employee, of accumulated vacation and sick leave pursuant to section 81-1325 and the rules and regulations of the State Personnel System governing such payments.

Sec. 8. DRAWING AND PAYING WARRANTS.

The Director of Administrative Services shall draw warrants upon the proper fund in the state treasury for an amount not to exceed the appropriations set forth in this act upon presentation of proper documentation. The State Treasurer shall pay the warrants out of the appropriate funds.

**Sec. 9. AGENCY NO. 23 – DEPARTMENT OF LABOR
Program No. 31 - Division of Employment**

	<u>FY2025-26</u>	<u>FY2026-27</u>
<u>CASH FUND</u>	<u>-0-</u>	<u>6,500,000</u>
<u>PROGRAM TOTAL</u>	<u>-0-</u>	<u>6,500,000</u>

There is included in the appropriation to this program for FY2025-26 \$-0- Cash Funds for state aid for workforce development, which shall only be used for such purpose. There is included in the appropriation to this program for FY2026-27 \$4,000,000 Cash Funds for state aid for workforce development, which shall only be used for such purpose.

**Sec. 10. AGENCY NO. 25 – DEPARTMENT OF HEALTH AND HUMAN SERVICES
Program No. 38 - Behavioral Health Aid**

	<u>FY2025-26</u>	<u>FY2026-27</u>
<u>CASH FUND</u>	<u>-0-</u>	<u>470,000</u>
<u>PROGRAM TOTAL</u>	<u>-0-</u>	<u>470,000</u>

There is included in the appropriation to this program for FY2025-26 \$-0- Cash Funds for state aid, which shall only be used for such purpose. There is included in the appropriation to this program for FY2026-27 \$470,000 Cash Funds for state aid, which shall only be used for such purpose.

**Sec. 11. AGENCY NO. 64 – NEBRASKA STATE PATROL
Program No. 100 - Public Protection**

	<u>FY2025-26</u>	<u>FY2026-27</u>
<u>GENERAL FUND</u>	<u>-0-</u>	<u>113,706</u>
<u>CASH FUND</u>	<u>-0-</u>	<u>85,500</u>
<u>PROGRAM TOTAL</u>	<u>-0-</u>	<u>199,206</u>
<u>SALARY LIMIT</u>	<u>-0-</u>	<u>76,889</u>

**Sec. 12. AGENCY NO. 85 – PUBLIC EMPLOYEES RETIREMENT BOARD
Program No. 41 - Administration of Retirement Systems and Deferred Compensation**

	<u>FY2025-26</u>	<u>FY2026-27</u>
<u>CASH FUND</u>	<u>-0-</u>	<u>7,500</u>
<u>PROGRAM TOTAL</u>	<u>-0-</u>	<u>7,500</u>

**Sec. 13. Laws 2025, LB261, section 88, is amended to read:
Sec. 88. AGENCY NO. 23 – DEPARTMENT OF LABOR**

Program No. 194 - Division for Protection of People and Property

	FY2025-26	FY2026-27
<u>GENERAL FUND</u>	<u>764,157</u>	<u>-0-</u>
GENERAL FUND	764,157	779,383
<u>CASH FUND</u>	<u>687,811</u>	<u>1,709,750</u>
CASH FUND	687,811	709,750
FEDERAL FUND est.	822,851	828,634
<u>PROGRAM TOTAL</u>	<u>2,274,819</u>	<u>2,538,384</u>
PROGRAM TOTAL	2,274,819	2,317,767
SALARY LIMIT	1,315,258	1,346,619

Sec. 14. Laws 2025, LB261, section 69, as amended by section 59, Legislative Bill 1071, One Hundred Ninth Legislature, Second Session, 2026, is amended to read:

Sec. 69. AGENCY NO. 16 – DEPARTMENT OF REVENUE
Program No. 102 - Revenue Administration

	FY2025-26	FY2026-27
<u>GENERAL FUND</u>	<u>17,399,357</u>	<u>595,791</u>
GENERAL FUND	17,399,357	2,467,209
<u>CASH FUND</u>	<u>14,453,216</u>	<u>33,277,467</u>
CASH FUND	14,453,216	29,946,547
<u>PROGRAM TOTAL</u>	<u>31,852,573</u>	<u>33,873,258</u>
PROGRAM TOTAL	31,852,573	32,413,756
<u>SALARY LIMIT</u>	<u>19,868,885</u>	<u>20,584,467</u>
SALARY LIMIT	19,868,885	20,278,967

There is included in the appropriation to this program for FY2025-26 \$336,404 Cash Funds for staff necessary to audit and enforce provisions of the tobacco Master Settlement Agreement from the Nebraska Health Care Cash Fund. There is included in the appropriation to this program for FY2026-27 \$336,404 Cash Funds for staff necessary to audit and enforce provisions of the tobacco Master Settlement Agreement from the Nebraska Health Care Cash Fund.

Sec. 15. Laws 2025, LB261, section 100, as amended by section 75, Legislative Bill 1071, One Hundred Ninth Legislature, Second Session, 2026, is amended to read:

Sec. 100. AGENCY NO. 25 – DEPARTMENT OF HEALTH AND HUMAN SERVICES
Program No. 348 - Medical Assistance

	FY2025-26	FY2026-27
<u>GENERAL FUND</u>	<u>1,085,315,619</u>	<u>843,522,688</u>
GENERAL FUND	1,085,315,619	850,284,005
CASH FUND	740,239,274	728,739,274
<u>FEDERAL FUND est.</u>	<u>3,928,839,289</u>	<u>3,614,112,414</u>
FEDERAL FUND est.	3,928,839,289	3,622,224,210
<u>PROGRAM TOTAL</u>	<u>5,754,394,182</u>	<u>5,186,374,376</u>
PROGRAM TOTAL	5,754,394,182	5,201,247,489

The Department of Administrative Services shall monitor the appropriations and expenditures for this program according to the following program classifications:

- No. 348 - Medical Assistance
- No. 349 - Medicaid Expansion Aid

There is included in the appropriation to this program for FY2025-26 \$1,085,315,619 General Funds, \$740,239,274 Cash Funds, and \$3,928,839,289 Federal Funds estimate for state aid, which shall only be used for such purpose. There is included in the appropriation to this program for FY2026-27 ~~\$843,522,688~~ ~~\$850,284,005~~ General Funds, \$728,739,274 Cash Funds, and ~~\$3,614,112,414~~ ~~\$3,622,224,210~~ Federal Funds estimate for state aid, which shall

only be used for such purpose.

It is the intent of the Legislature that the total amount appropriated for medicaid nursing facility rates for Program No. 348, specified as \$449,351,518 for FY2025-26 (\$196,186,873 General Funds and \$253,164,645 Federal Funds) and \$449,351,518 for FY2026-27 (\$199,467,139 General Funds and \$249,884,379 Federal Funds), shall be used in the medicaid nursing facility rate calculation for Program No. 348, including the calculation of the annual inflation factor.

The total amount appropriated for medicaid nursing facility rates for Program No. 348 includes amounts for rate enhancement and any other purpose related to medicaid nursing facility services. The Department of Health and Human Services shall file a report electronically with the Legislative Fiscal Analyst and the Clerk of the Legislature no later than August 1, 2025, on how the inflation factor was calculated for FY2025-26 rates and no later than June 15 ~~August 1~~, 2026, on how the inflation factor was calculated for FY2026-27 rates.

The Department of Health and Human Services shall file a report electronically with the Legislative Fiscal Analyst and the Clerk of the Legislature between December 15 and December 31 of each year of the biennium ending June 30, 2027, identifying the amount of any unspent remaining appropriation from the prior fiscal year's appropriations earmarked for nursing facility payments. The report shall include an identification of encumbrances and retroactive payments.

There is included in the amount shown as aid for this program \$1,500,000 Cash Funds for FY2025-26 from the Hospital Quality Assurance and Access Assessment Fund to the Department of Health and Human Services for the medical assistance program to provide reimbursement to mental health providers who do not practice in a hospital and who provide services to medicaid-eligible participants who are eligible for both medicaid and medicare, if there is a lower rate paid under medicare compared to rates paid at the time for medicaid rates for behavioral health services. It is the intent of the Legislature to sustain the medicaid rates for mental health providers serving medicaid-eligible participants who are eligible for both medicaid and medicare and are receiving behavioral health services under Program No. 348, Medical Assistance.

There is included in the amount shown as aid for this program \$1,408,364 Cash Funds for FY2025-26 and \$1,408,364 Cash Funds for FY2026-27 from the Medicaid Managed Care Excess Profit Fund for medicaid assisted-living facility rates for Program No. 348, to be used specifically by the Department of Health and Human Services to increase the current medicaid assisted-living facility rates, which are included in Program No. 348 and paid as a service as part of Nebraska's aged and disabled home and community-based medicaid 1915(c) waiver program, to the daily rate of \$73.91 for FY2025-26 and \$73.91 for FY2026-27, for both rural and urban assisted-living single occupancy waiver days.

It is the intent of the Legislature that phased-down state contributions to the federal government as defined and required by the federal Medicare Prescription Drug, Improvement, and Modernization Act of 2003 may be made from appropriations to this program.

The chief executive officer of the Department of Health and Human Services may certify to the budget administrator of the budget division of the Department of Administrative Services FY2025-26 and FY2026-27 unexpended appropriation balances for Medical Assistance, Program No. 348, available to transfer to Developmental Disability Aid, Program No. 424, to be used only to maintain individuals with an intellectual or developmental disability in a medicaid program that best serves their needs at a cost that does not exceed the cost of services provided in an institution. The budget administrator of the budget division of the Department of Administrative Services shall administratively transfer during FY2025-26 and FY2026-27 available appropriations as certified by the chief executive officer of the Department of Health and Human Services from Medical Assistance, Program No. 348, to Developmental Disability Aid, Program No. 424.

Sec. 16. Laws 2025, LB261, section 164, as amended by section 99, Legislative Bill 1071, One Hundred Ninth Legislature, Second Session, 2026, is amended to read:

Sec. 164. AGENCY NO. 35 – NEBRASKA LIQUOR CONTROL COMMISSION
Program No. 73 - Licensing and Regulation

	FY2025-26	FY2026-27
<u>GENERAL FUND</u>	<u>2,885,293</u>	<u>2,714,207</u>
GENERAL FUND	2,885,293	3,014,207
<u>CASH FUND</u>	<u>600,000</u>	<u>400,000</u>
CASH FUND	600,000	100,000
PROGRAM TOTAL	3,485,293	3,114,207
SALARY LIMIT	1,275,475	1,412,975

The Department of Administrative Services shall monitor the appropriations and expenditures for this program according to the following program classifications:

No. 073 - Licensing and Regulation

No. 096 - Medical Cannabis

Sec. 17. Laws 2025, LB261, section 246, as amended by section 119, Legislative Bill 1071, One Hundred Ninth Legislature, Second Session, 2026, is amended to read:

Sec. 246. AGENCY NO. 72 – DEPARTMENT OF ECONOMIC DEVELOPMENT
Program No. 603 - Industrial Recruitment

	FY2025-26	FY2026-27
<u>GENERAL FUND</u>	<u>18,060,554</u>	<u>6,195,537</u>
GENERAL FUND	18,060,554	18,147,087
<u>CASH FUND</u>	<u>86,019,625</u>	<u>72,525,784</u>
CASH FUND	86,019,625	57,525,784
FEDERAL FUND est.	21,183,754	21,188,298
<u>PROGRAM TOTAL</u>	<u>125,263,933</u>	<u>99,909,619</u>
PROGRAM TOTAL	125,263,933	96,861,169
SALARY LIMIT	5,864,322	5,994,488

The unexpended Cash Fund appropriation balance for unexpended obligations existing on June 30, 2025, for the Site and Building Development Act, is hereby reappropriated.

The Department of Administrative Services shall monitor the appropriations and expenditures for this program according to the following program classifications:

No. 603 - Industrial Recruitment

No. 604 - Business Incentives

There is included in the appropriation to this program for FY2025-26 \$11,020,352 General Funds, \$84,839,197 Cash Funds, and \$20,737,571 Federal Funds estimate for state aid, which shall only be used for such purpose. There is included in the appropriation to this program for FY2026-27 ~~\$-0-~~ \$11,020,352 General Funds, ~~\$70,239,197~~ \$56,339,197 Cash Funds, and \$20,737,571 Federal Funds estimate for state aid, which shall only be used for such purpose.

It is the intent of the Legislature to appropriate an additional \$4,500,000 Cash Funds from the Site and Building Development Fund in FY2027-28 pursuant to subdivision (1)(h) of section 81-12,147.

There is included in the amount shown as aid for FY2025-26 \$50,000,000 Cash Funds from the Nebraska Transformational Project Fund as state aid, which shall only be used for such purpose. There is included in the amount shown as aid for FY2026-27 \$50,000,000 Cash Funds from the Nebraska Transformational Project Fund as state aid, which shall only be used for such purpose.

There is included in the amount shown as aid for FY2025-26 \$4,000,000 Cash Funds and for FY2026-27 ~~\$-0-~~ Cash Funds from the Imagine Nebraska Revolving Loan Fund for state aid, which shall only be used for such purpose.

Sec. 18. Laws 2025, LB261, section 279, as amended by section 125, Legislative Bill 1071, One Hundred Ninth Legislature, Second Session, 2026, is amended to read:

Sec. 279. AGENCY NO. 84 – DEPARTMENT OF WATER, ENERGY, AND ENVIRONMENT
Program No. 334 - Soil and Water Conservation

	FY2025-26	FY2026-27
<u>GENERAL FUND</u>	<u>9,645,854</u>	<u>9,755,854</u>
GENERAL FUND	9,645,854	10,170,854
<u>CASH FUND</u>	<u>9,573,272</u>	<u>10,029,357</u>
CASH FUND	9,573,272	9,614,357
FEDERAL FUND est.	2,207,789	2,273,709
<u>PROGRAM TOTAL</u>	<u>21,426,915</u>	<u>22,058,920</u>
SALARY LIMIT	8,201,870	8,223,188

There is hereby reappropriated an amount certified by the Department of Water, Energy, and Environment to the budget administrator of the budget division of the Department of Administrative Services of the unexpended General Fund and Cash Fund appropriation balances appropriated to the Department of Natural Resources for this program existing on June 30, 2025, that are allocated in budget subprograms 19, 20, 21, and 24 of Program 334. Reappropriated funds shall be allocated to the same budget subprogram.

There is included in the appropriation to this program for FY2025-26 \$7,450,000 Cash Funds plus any reappropriated amounts and \$5,000 Federal Funds estimate, for state aid, which shall only be used for such purpose. There is included in the appropriation to this program for FY2026-27 \$7,450,000 Cash

Funds plus any reappropriated amounts and \$5,000 Federal Funds estimate, for state aid, which shall only be used for such purpose.

There is included in the amount shown as state aid for FY2026-27, \$353,000 Cash Funds for the removal of riparian vegetation as part of a vegetation management program, if such vegetation management program is being conducted for the primary objective of improving the conveyance of streamflow in natural streams.

The unexpended Cash Fund appropriation balance appropriated to the Department of Natural Resources for this program existing on June 30, 2025, is hereby reappropriated to the Department of Water, Energy, and Environment for this program.

Sec. 19. Laws 2025, LB261, section 280, as amended by section 126, Legislative Bill 1071, One Hundred Ninth Legislature, Second Session, 2026, is amended to read:

Sec. 280. AGENCY NO. 84 – DEPARTMENT OF WATER, ENERGY, AND ENVIRONMENT
Program No. 513 - Environmental Quality

	FY2025-26	FY2026-27
<u>GENERAL FUND</u>	<u>5,250,060</u>	<u>5,025,060</u>
GENERAL FUND	5,250,060	5,250,060
<u>CASH FUND</u>	<u>42,816,431</u>	<u>43,233,267</u>
CASH FUND	42,816,431	43,115,996
FEDERAL FUND est.	45,798,301	46,175,320
<u>PROGRAM TOTAL</u>	<u>93,864,792</u>	<u>94,433,647</u>
PROGRAM TOTAL	93,864,792	94,541,376
SALARY LIMIT	18,561,743	18,956,247

The Department of Administrative Services shall monitor the appropriations and expenditures for this program according to the following program classifications:

- No. 513 - Administration
- No. 586 - Water Quality
- No. 587 - Land Quality
- No. 588 - Air Quality

There is included in the appropriation to this program for FY2025-26 \$18,645,601 Cash Funds and \$24,538,513 Federal Funds estimate for state aid, which shall only be used for such purpose. There is included in the appropriation to this program for FY2026-27 \$18,645,601 Cash Funds and \$24,529,499 Federal Funds estimate for state aid, which shall only be used for such purpose.

There is included in the amount shown for FY2026-27 \$38,000,000 Federal Funds for the purpose of awarding a grant to a city of the first class which operates a publicly owned wastewater treatment facility that is subject to a National Pollutant Discharge Elimination System permit and that has experienced documented increases in industrial wastewater load resulting in treatment capacity or compliance challenges due to a calcium caseinate food ingredient manufacturing facility. The Federal Funds in this section are from the funds awarded to the State of Nebraska from the Inflation Reduction Act of 2022, 42 U.S.C. 7437, as amended. Such grant award shall be contingent upon receipt of a one-to-one match certified by the department.

The unexpended Cash Fund appropriation balance appropriated to the Department of Environment and Energy for this program existing on June 30, 2025, up to \$6,000,000, is hereby reappropriated for providing grants to metropolitan utilities districts for lead service line replacements in accordance with section 71-5328.

Sec. 20. Laws 2025, LB261, section 285, as amended by section 127, Legislative Bill 1071, One Hundred Ninth Legislature, Second Session, 2026, is amended to read:

Sec. 285. AGENCY NO. 85 – PUBLIC EMPLOYEES RETIREMENT BOARD
Program No. 515 - Public Employees Retirement

	FY2025-26	FY2026-27
<u>GENERAL FUND</u>	<u>36,444,018</u>	<u>20,998,604</u>
GENERAL FUND	36,444,018	22,219,812
<u>PROGRAM TOTAL</u>	<u>36,444,018</u>	<u>20,998,604</u>
PROGRAM TOTAL	36,444,018	22,219,812

There is included in the appropriation to this program for FY2025-26 \$17,541,637 General Funds to provide additional funding to the School Employees Retirement System of the State of Nebraska, which shall only be used for such purpose. There is included in the appropriation to this program for FY2026-27

\$-0- General Funds to provide additional funding to the School Employees Retirement System of the State of Nebraska, which shall only be used for such purpose.

There is included in the appropriation to this program for FY2025-26 \$10,607,612 General Funds to provide additional funding to the Omaha School Employees Retirement System, which shall only be used for such purpose. There is included in the appropriation to this program for FY2026-27 \$11,581,992 General Funds to provide additional funding to the Omaha School Employees Retirement System, which shall only be used for such purpose.

There is included in the appropriation to this program for FY2025-26 \$6,834,870 General Funds to provide additional funding to the Nebraska State Patrol Retirement System, which shall only be used for such purpose. There is included in the appropriation to this program for FY2026-27 \$9,416,612 General Funds to provide additional funding to the Nebraska State Patrol Retirement System, which shall only be used for such purpose.

There is included in the appropriation to this program for FY2025-26 \$1,459,899 General Funds to provide additional funding to the Nebraska Judges Retirement System, which shall only be used for such purpose. There is included in the appropriation to this program for FY2026-27 ~~\$-0-~~ ~~\$1,221,208~~ General Funds to provide additional funding to the Nebraska Judges Retirement System, which shall only be used for such purpose.

Pursuant to section 84-1319.01, each state agency participating in the State Employees Retirement System of the State of Nebraska shall contribute an amount to the State Equal Retirement Benefit Fund to provide all similarly situated male and female members with equal benefits. It is the intent of the Legislature that the Public Employees Retirement Board notify each state agency of the amount to be paid to the fund for FY2025-26 and FY2026-27.

Sec. 21. Laws 2025, LB261, section 300, as amended by section 128, Legislative Bill 1071, One Hundred Ninth Legislature, Second Session, 2026, is amended to read:

Sec. 300. CASH FUNDS.

The receipts for FY2025-26 and FY2026-27 inuring to the several Cash Funds, together with any amounts held in account by the State Treasurer on June 30, 2025, are hereby credited to each of the funds respectively.

Expenditure of Cash Funds appropriated in this act shall be limited to the amount shown by program except when specific exceptions are made. The amounts appropriated in this act include the following funds:

(1) Legislative Council: Nebraska Legislative Shared Information System Cash Fund, Donations/Contributions Cash Fund, Nebraska Statutes Cash Fund, Clerk of the Legislature Cash Fund, Biotechnology Development Cash Fund, Nebraska Health Care Cash Fund;

(2) Supreme Court: Supreme Court Reports Cash Fund, Court Appointed Special Advocate Fund, Nebraska Statutes Distribution Cash Fund, Supreme Court Attorney Services Cash Fund, Probation Program Cash Fund, Probation Cash Fund, State Probation Contractual Services Cash Fund, Dispute Resolution Cash Fund, Counsel for Discipline Cash Fund, Supreme Court Education Fund, Supreme Court Automation Cash Fund, Parenting Act Fund, Public Guardianship Cash Fund, Administrative Office of the Courts Cash Fund, Bar Commission Cash Fund;

(3) Governor: Governor's Policy Research Cash Fund;

(4) Secretary of State: Records Management Cash Fund, Secretary of State Cash Fund, Election Administration Fund;

(5) Auditor of Public Accounts: Auditor of Public Accounts Cash Fund;

(6) Attorney General: Motor Vehicle Fraud Cash Fund, Department of Justice Natural Resources Enforcement Fund, State Settlement Cash Fund, Nebraska Health Care Cash Fund, State Medicaid Fraud Control Unit Cash Fund, Financial Fraud Victims' Reimbursement Fund;

(7) State Treasurer: State Treasurer Administrative Fund, Unclaimed Property Cash Fund, Mutual Finance Assistance Fund, Education Savings Plan Administrative Fund, Education Savings Plan Expense Fund, Convention Center Support Fund, State Disbursement Unit Cash Fund, Treasury Management Cash Fund, Sports Arena Facility Support Fund, Political Subdivision Recapture Cash Fund, Inland Port Authority Fund, College Savings Incentive Cash Fund, Medical Debt Relief Fund, Give to Enable Support Cash Fund;

(8) State Department of Education: State Department of Education Cash Fund, Certification Fund, Tuition Recovery Cash Fund, Private Postsecondary Career Schools Cash Fund, Early Childhood Education Endowment Cash Fund, Nebraska Education Improvement Fund, High School Equivalency Grant Fund, Expanded Learning Opportunity Grant Fund, Education Future Fund, Behavioral Training Cash Fund, Mental Health Training Cash Fund, College Pathway Program Cash Fund, School Safety and Security Fund, Computer Science and Technology Education Fund, State Department of Education Improvement Grant Fund, School Emergency Response Mapping Fund;

(9) Public Service Commission: Nebraska Grain Warehouse Surveillance Cash Fund, Nebraska Telecommunications Relay System Fund, Public Service Commission Housing and Recreational Vehicle Cash Fund, Nebraska Telecommunications Universal Service Fund, Moisture Testing Examination Fund, Grain Warehouse Auditing Fund, Municipal Rate Negotiations Revolving Loan Fund, Public Service Commission Pipeline Regulation Fund, 911 Service System Fund, Transportation Network Company Regulation Cash Fund, 211 Cash Fund;

(10) Department of Revenue: Department of Revenue Enforcement Fund, State Lottery Operation Cash Fund, Marijuana and Controlled Substances Tax Administration Cash Fund, Waste Reduction and Recycling Incentive Fees Collection Fund, Petroleum Release Remedial Action Collection Fund, Litter Fee

Collection Fund, Severance Tax Administration Fund, Charitable Gaming Operations Fund, Tobacco Products Administration Cash Fund, Nebraska Incentives Fund, Motor Fuel Tax Enforcement and Collection Cash Fund, Nebraska Health Care Cash Fund, State Athletic Commissioner's Cash Fund, Department of Revenue Property Assessment Division Cash Fund, Property Tax Credit Cash Fund, Nebraska Advantage Transformational Tourism and Redevelopment Act Cash Fund, Airline and Carline Cash Fund, Compulsive Gamblers Assistance Fund, School District Property Tax Relief Credit Fund;

(11) Department of Agriculture: Fertilizers and Soil Conditioners Administrative Fund, Commercial Feed Administration Cash Fund, Pure Milk Cash Fund, Soil and Plant Analysis Laboratory Cash Fund, Livestock Auction Market Fund, Nebraska Potato Development Fund, Weights and Measures Administrative Fund, Nebraska Poultry and Egg Development, Utilization, and Marketing Fund, Agricultural Products Marketing Information Cash Fund, Pure Food Cash Fund, Nebraska Agricultural Products Marketing Cash Fund, State Apiary Cash Fund, Weed Book Cash Fund, Pesticide Administrative Cash Fund, Nebraska Seed Administrative Cash Fund, Plant Protection and Plant Pest Cash Fund, Tractor Permit Cash Fund, Animal Damage Control Cash Fund, Noxious Weed Cash Fund, Buffer Strip Incentive Fund, Winery and Grape Producers Promotional Fund, Commercial Dog and Cat Operator Inspection Program Cash Fund, Domesticated Cervine Animal Cash Fund, Agricultural Laboratory Testing Services Cash Fund, Agricultural Suppliers Lease Protection Cash Fund, Nebraska Beer Industry Promotional Fund, Animal Health and Disease Control Act Cash Fund;

(12) Department of Banking and Finance: Financial Institution Assessment Cash Fund, Securities Act Cash Fund, Department of Banking and Finance Settlement Cash Fund;

(13) State Fire Marshal: Nebraska Natural Gas Pipeline Safety Cash Fund, State Fire Marshal Cash Fund, Underground Storage Tank Fund, Training Division Cash Fund, Reduced Cigarette Ignition Propensity Fund, Boiler Inspection Cash Fund, Mechanical Safety Inspection Fund;

(14) Department of Insurance: Department of Insurance Cash Fund;

(15) Department of Labor: Employment Security Special Contingent Fund, Contractor, Business, and Professional Employer Organization Registration Cash Fund, Workforce Development Program Cash Fund, Employment Security Administration Fund;

(16) Department of Motor Vehicles: Motor Carrier Division Cash Fund, Department of Motor Vehicles Cash Fund, Department of Motor Vehicles Ignition Interlock Fund, License Plate Cash Fund, Vehicle Title and Registration System Replacement and Maintenance Cash Fund, Operator's License Services System Replacement and Maintenance Fund, Highway Tax Fund, Motor Carrier Services System Replacement and Maintenance Fund;

(17) Department of Health and Human Services: Health and Human Services Cash Fund, School District Reimbursement Fund, Nebraska Child Abuse Prevention Fund, Nebraska Health Care Cash Fund, University of Nebraska Medical Center Medical Education Revolving Fund, Behavioral Health Services Fund, Professional and Occupational Credentialing Cash Fund, Rural Health Professional Incentive Fund, Organ and Tissue Donor Awareness and Education Fund, Prescription Drug Monitoring Program Fund, ICF/DD Reimbursement Protection Fund, Nebraska Emergency Medical System Operations Fund, Radiation Transportation Emergency Response Cash Fund, Nursing Facility Quality Assurance Fund, Health Care Homes for the Medically Underserved Fund, Nursing Faculty Student Loan Cash Fund, Nursing Facility Penalty Cash Fund, Homeless Shelter Assistance Trust Fund, Patient Safety Cash Fund, Medicaid Managed Care Excess Profit Fund, HCBS Enhanced FMAP Fund, Opioid Treatment Infrastructure Cash Fund, Opioid Prevention and Treatment Cash Fund, Hospital Quality Assurance and Access Assessment Fund, Medicaid Access and Quality Fund, Domestic Violence and Sex Trafficking Survivor Housing Assistance Fund, 988 Emergency Lifeline Cash Fund;

(18) Department of Transportation: Highway Cash Fund, Grade Crossing Protection Fund, State Recreation Road Fund, Roads Operations Cash Fund, State Highway Capital Improvement Fund, Transportation Infrastructure Bank Fund, Aeronautics Cash Fund, Department of Transportation Aeronautics Capital Improvement Fund;

(19) Department of Veterans' Affairs: Veteran Cemetery Construction Fund, Nebraska Veteran Cemetery System Operation Fund, Department of Veterans' Affairs Cash Fund, Veterans' Home Building Fund, Pets for Vets Cash Fund, Veterans Employment Program Fund, Military Installation Development and Support Fund;

(20) State Electrical Board: Electrical Division Fund;

(21) Military Department: Military Department Cash Fund, Governor's Emergency Cash Fund, Nebraska Emergency Management Agency Cash Fund, Nebraska Emergency Planning and Community Right to Know Cash Fund;

(22) Board of Educational Lands and Funds: Surveyors' Cash Fund, Board of Educational Lands and Funds Cash Fund, Survey Record Repository Fund;

(23) Game and Parks Commission: State Game Fund, State Park Cash Revolving Fund, Nebraska Habitat Fund, Nebraska Aquatic Habitat Fund, Nebraska Snowmobile Trail Cash Fund, Nebraska Outdoor Recreation Development Cash Fund, Wildlife Conservation Fund, Nebraska Environmental Trust Fund, Cowboy Trail Fund, Game Law Investigation Cash Fund, Niobrara Council Fund, Nebraska Environmental Endowment Fund, Hunters Helping the Hungry Cash Fund, Game and Parks Commission Capital Maintenance Fund, Game and Parks State Park Improvement and Maintenance Fund, Game and Parks Commission Educational Fund, Josh the Otter-Be Safe Around Water Cash Fund, Trail Development and Maintenance Fund, Water Recreation Enhancement Fund, Museum Construction and Maintenance Fund;

- (24) Nebraska Library Commission: Nebraska Library Commission Cash Fund;
- (25) Nebraska Liquor Control Commission: Nebraska Liquor Control Commission Rule and Regulation Cash Fund, Nebraska Medical Cannabis Commission Cash Fund;
- (26) State Racing and Gaming Commission: Track Distribution Fund, Racetrack Gaming Fund;
- (27) Nebraska Workers' Compensation Court: Compensation Court Cash Fund;
- (28) Nebraska Brand Committee: Nebraska Brand Inspection and Theft Prevention Fund;
- (29) Nebraska Motor Vehicle Industry Licensing Board: Nebraska Motor Vehicle Industry Licensing Fund;
- (30) State Real Estate Commission: State Real Estate Commission's Fund;
- (31) Board of Barber Examiners: Board of Barber Examiners Fund;
- (32) Department of Correctional Services: Department of Correctional Services Facility Cash Fund, Reentry Cash Fund, Vocational and Life Skills Programming Fund, Prison Overcrowding Contingency Fund, Parole Program Cash Fund, Correctional Services Insurance Proceeds Fund;
- (33) Nebraska Educational Telecommunications Commission: State Educational Telecommunications Fund;
- (34) Coordinating Commission for Postsecondary Education: Coordinating Commission for Postsecondary Education Cash Fund, Nebraska Opportunity Grant Fund, Guaranty Recovery Cash Fund, Excellence in Teaching Cash Fund, Door to College Scholarship Fund, Community College Gap Assistance Program Fund;
- (35) Nebraska State Colleges: Chadron Cash Fund, Peru Cash Fund, Wayne Cash Fund, CSC Capital Projects Cash Fund, PSC Capital Projects Cash Fund, Wayne Cash Fund--Capital Projects, Special Projects Cash Fund, Board of Trustees Cash Fund, State Colleges Sport Facilities Cash Fund;
- (36) University of Nebraska: Financial Literacy Cash Fund, University Cash Fund, Temporary University Fund, University of Nebraska at Omaha Cash Fund, University of Nebraska Medical Center Cash Fund, University of Nebraska at Kearney Cash Fund, University of Nebraska Central Administration Designated Cash Fund, University of Nebraska-Lincoln Designated Cash Fund, University of Nebraska at Omaha Designated Cash Fund, University of Nebraska Medical Center Designated Cash Fund, University of Nebraska at Kearney Designated Cash Fund, State Anatomical Board Cash Fund;
- (37) Nebraska State Fair Board: Nebraska State Fair Support and Improvement Cash Fund;
- (38) Real Property Appraiser Board: Real Property Appraiser Fund, Appraisal Management Company Fund;
- (39) Nebraska State Historical Society: Historical Society Fund, Historical Landmark Cash Fund, Nebraska Job Creation and Mainstreet Revitalization Fund, Willa Cather National Statuary Hall Cash Fund, Willa Cather Historical Building Cash Fund, Semiquincentennial Commission Fund;
- (40) Nebraska Wheat Development, Utilization, and Marketing Board: Nebraska Wheat Development, Utilization, and Marketing Fund;
- (41) Nebraska Oil and Gas Conservation Commission: Oil and Gas Conservation Fund, Carbon Dioxide Storage Facility Administrative Fund;
- (42) Board of Engineers and Architects: Engineers and Architects Regulation Fund;
- (43) Board of Geologists: Geologists Regulation Fund;
- (44) Nebraska Ethanol Board: Agricultural Alcohol Fuel Tax Fund, Ethanol Production Incentive Cash Fund;
- (45) Nebraska Dairy Industry Development Board: Nebraska Dairy Industry Development Fund;
- (46) State Board of Examiners for Land Surveyors: Land Surveyor Examiner's Fund;
- (47) Nebraska State Board of Public Accountancy: Certified Public Accountants Fund;
- (48) Nebraska State Patrol: Nebraska State Patrol Cash Fund, Investigation Petty Cash Fund, Carrier Enforcement Cash Fund, Nebraska State Patrol Drug Control and Education Cash Fund, Public Safety Cash Fund, Nebraska State Patrol Vehicle Replacement Cash Fund, Nebraska Public Safety Communication System Cash Fund, Combined Law Enforcement Information Network Cash Fund, State DNA Sample and Data Base Fund, Treasury Agency Forfeitures Cash Fund;
- (49) Department of Administrative Services: Building Renewal Allocation Fund, State Building Renewal Assessment Fund, University Building Renewal Assessment Fund, State College Building Renewal Assessment Fund, Capitol Restoration Cash Fund, Vacant Building and Excess Land Cash Fund, Resource Recovery Fund, Tort Claims Fund, Information Technology Infrastructure Fund, Health and Life Benefit Administration Cash Fund, Rural Broadband Task Force Fund, Community College State Dependents Fund, Ferguson House Fund;
- (50) Abstracters Board of Examiners: Abstracters Board of Examiners Cash Fund;
- (51) Commission on Latino-Americans: Hispanic Awareness Cash Fund, Commission on Latino-Americans Cash Fund;
- (52) Nebraska Arts Council: Nebraska Arts Council Cash Fund, Nebraska Arts and Humanities Cash Fund, Support the Arts Cash Fund;
- (53) Foster Care Review Office: Foster Care Review Office Cash Fund, Nebraska Health Care Cash Fund;
- (54) Department of Economic Development: Job Training Cash Fund, Administrative Cash Fund, Affordable Housing Trust Fund, Civic and Community Center Financing Fund, Rural Workforce Housing Investment Fund, Bioscience Innovation Cash Fund, Nebraska Film Office Fund, Customized Job Training Cash

Fund, ImagiNE Nebraska Cash Fund, Middle Income Workforce Housing Investment Fund, ImagiNE Nebraska Revolving Loan Fund, Nebraska Transformational Project Fund, Site and Building Development Fund, Economic Recovery Contingency Fund, Innovation Hub Cash Fund, Nebraska Rural Projects Fund, Shovel-Ready Capital Recovery and Investment Fund, Panhandle Improvement Project Cash Fund, Youth Outdoor Education Innovation Fund;

(55) State Board of Landscape Architects: State Board of Landscape Architects Cash Fund;

(56) Nebraska Power Review Board: Nebraska Power Review Fund;

(57) Nebraska Investment Council: State Investment Officer's Cash Fund;

(58) Nebraska Commission on Law Enforcement and Criminal Justice: Nebraska Law Enforcement Training Center Cash Fund, Law Enforcement Improvement Fund, Victim's Compensation Fund, Community Corrections Uniform Data Analysis Cash Fund, Violence Prevention Cash Fund;

(59) Commission for the Blind and Visually Impaired: Commission for the Blind and Visually Impaired Cash Fund;

(60) Commission for the Deaf and Hard of Hearing: Commission for the Deaf and Hard of Hearing Fund;

(61) Community College Aid: Nebraska Community College Aid Cash Fund, Community College Future Fund;

(62) Department of Water, Energy, and Environment: Integrated Solid Waste Management Cash Fund, Nebraska Litter Reduction and Recycling Fund, Environmental Cash Fund, Chemigation Costs Fund, Low-Level Radioactive Waste Cash Fund, Petroleum Release Remedial Action Cash Fund, Wastewater Treatment Operator Certification Cash Fund, Local Site Selection Cash Fund, Local Monitoring Committee Cash Fund, Waste Reduction and Recycling Incentive Fund, Wastewater Treatment Facilities Construction Loan Fund, Remedial Action Plan Monitoring Fund, Livestock Waste Management Cash Fund, Drinking Water Administration Fund, Clean Air Title V Cash Fund, Air Quality Permit Cash Fund, Superfund Cost Share Cash Fund, Private Onsite Wastewater Treatment System Certification and Registration Cash Fund, Solid Waste Landfill Closure Assistance Fund, Private Onsite Wastewater Treatment System Permit and Approval Cash Fund, State Energy Cash Fund, Clean-burning Motor Fuel Development Fund, Volkswagen Settlement Cash Fund, Renewable Fuel Infrastructure Fund, Engineering Plan Review Cash Fund, Environmental Safety Cash Fund, Nebraska Environmental Response Cash Fund, Water Well Standards and Contractors' Licensing Fund, Safe Drinking Water Act Cash Fund, Dredge and Fill Cash Fund, Lead Service Line Cash Fund, Water Resources Cash Fund, Small Watersheds Flood Control Fund, Nebraska Resources Development Fund, Nebraska Soil and Water Conservation Fund, Natural Resources Water Quality Fund, Water Well Decommissioning Fund, Water Resources Trust Fund, Department of Water, Energy, and Environment Cash Fund, Water Sustainability Fund, Critical Infrastructure Facilities Cash Fund, Dam Safety Cash Fund, Perkins County Canal Project Fund, Jobs and Economic Development Initiative Fund, Surface Water Irrigation Infrastructure Fund, Battery Stewardship Cash Fund, Revitalize Rural Nebraska Fund;

(63) Public Employees Retirement Board: School Expense Fund, Judges Expense Fund, State Patrol Expense Fund, Deferred Compensation Expense Fund, State Employees Retirement System Expense Fund, County Employees Retirement System Expense Fund, State Cash Balance Expense Fund, County Cash Balance Expense Fund, Class V School Employees Retirement System Management Work Plan Fund;

(64) Dry Bean Commission: Dry Bean Development, Utilization, Promotion, and Education Fund;

(65) Nebraska Accountability and Disclosure Commission: Nebraska Accountability and Disclosure Commission Cash Fund;

(66) Corn Development, Utilization, and Marketing Board: Nebraska Corn Development, Utilization, and Marketing Fund;

(67) Commission on Indian Affairs: Commission on Indian Affairs Cash Fund, Chief Standing Bear National Statuary Hall Cash Fund, Native American Scholarship and Leadership Fund;

(68) Nebraska Tourism Commission: State Visitors Promotion Cash Fund, Tourism Conference Cash Fund, Nebraska Tourism Commission Promotional Cash Fund;

(69) Grain Sorghum Development, Utilization, and Marketing Board: Grain Sorghum Development, Utilization, and Marketing Fund, Grain Sorghum National Checkoff Fund;

(70) Tax Equalization and Review Commission: Tax Equalization and Review Commission Cash Fund;

(71) Commission on Public Advocacy: Legal Education for Public Service and Rural Practice Loan Repayment Assistance Fund, Commission on Public Advocacy Operations Cash Fund, Legal Aid and Services Fund, Civil Legal Services Fund;

(72) Dry Pea and Lentil Commission: Dry Pea and Lentil Fund; and

(73) Commission on African American Affairs: Commission on African American Affairs Cash Fund.

Sec. 22. Section 81, Legislative Bill 1072, One Hundred Ninth Legislature, Second Session, 2026, is amended to read:

Sec. 81. The State Treasurer shall transfer ~~\$45,000,000~~ \$50,000,000 from the Nebraska Tobacco Settlement Trust Fund to the General Fund on or after July 1, 2026, but before June 30, 2027, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 23. Original Laws 2025, LB261, section 88; Laws 2025, LB261,

sections 69, 100, 164, 246, 279, 280, 285, and 300, as amended by sections 59, 75, 99, 119, 125, 126, 127, and 128, respectively, Legislative Bill 1071, One Hundred Ninth Legislature, Second Session, 2026; and section 81, Legislative Bill 1072, One Hundred Ninth Legislature, Second Session, 2026, are repealed.

Sec. 24. Since an emergency exists, this act takes effect when passed and approved according to law.