

ONE HUNDRED NINTH LEGISLATURE - FIRST SESSION - 2025
COMMITTEE STATEMENT
LB261

Hearing Date: Tuesday February 18, 2025
Committee On: Appropriations
Introducer: Speaker Arch
One Liner: Appropriate funds for the expenses of Nebraska State Government for the biennium ending June 30, 2027, and appropriate Federal Funds allocated to the State of Nebraska pursuant to the federal American Rescue Plan Act of 2021

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:

Aye:	7	Senators Clements, Armendariz, Dorn, Dover, Lippincott, Prokop, Strommen
Nay:	1	Senator Cavanaugh, M.
Absent:		
Present Not Voting:	1	Senator Spivey

Testimony:

Proponents:

Neil Sullivan

Opponents:

Ele Nugent

Craig Beck

Drew Larsen

Katie Torpy

Meghan Chaffee

Korby Gilbertson

Brent Smoyer

Neutral:

* ADA Accommodation Written Testimony

Representing:

Opening Presenter

Representing:

Ducks Unlimited, National Audubon Society, The Nature Conservancy
OpenSky Policy Institute
Pheasants Forever
The Nature Conservancy
Nebraska Hospital Association
Nebraska Realtors association, Habitat for Humanity-Omaha, Nebraska State Homebuilders Association, Homebuilders association fo Lincoln, Metro Omaha Builders Association Coalition
Nebraska Travel Association, Nebraska Rural Broadband alliance, Northwestern Energy

Representing:

Summary of purpose and/or changes:

LB 261, introduced by the Speaker at the request of the Governor, is a part of the Governor's biennial budget



recommendations. This bill is the mainline appropriations bill for the biennium that begins July 1, 2025, and ends on June 30, 2027. This measure includes the budget recommendations for all State operations and State aid programs. The bill includes the appropriate transfers from cash funds to the General Fund, as well as between specified cash funds. Finally, it provides the necessary definitions for the proper administration of appropriations and personal service limitations. This legislative bill contains the emergency clause and becomes operative on July 1, 2025.

Explanation of amendments:

The amendment, AM832, becomes the bill. The amendment contains the Appropriations Committee's recommendation for the bulk of appropriations to be made during the budget biennium for state operations and state aid. Statutorily authorized transfers among funds are made in conformance with budget requirements as are transfers from the General Fund.

The Appropriations Committee report "State of Nebraska FY 2025-26 and FY 2026-27 Biennial Budget, As Proposed by the Appropriations Committee 109th Legislature, First Session" published April 2025 contains additional details. Significant increases and reductions in General Fund appropriations from the current year are listed on page 19 of such report. A narrative description of General Fund appropriations begins on page 20 for agency operations and on page 25 for state aid. Discussion of cash fund appropriations begins on page 34, with subsequent sections on cash fund agency operations and state aid, as well as sections for federal or revolving fund appropriations and capital construction (page 50). Tabular data follows in additional sections, itemizing the recommendation by agency, aid program, and all fund sources. A narrative description of the recommendation by each state agency begins on page 73.

AM832 also adds LB55, LB57, LB173, LB452, LB505, LB580, LB581, LB621, and LB627 to LB261.

Bills incorporated into LB 261:

LB 55 (Dorn) – The bill appropriates \$1.5 million for FY2025-26 from the Hospital Quality Assurance and Access Assessment Fund to the Department of Health and Human Services (DHHS) for 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.

Testifiers on LB55:

Proponents:

Senator Myron Dorn, Opening Presenter

Jon Day, Blue Valley Behavioral Health

Chase Franci, Nebraska Association of Behavioral Health Organizations, Mid-Plains Center for Behavioral Healthcare Services

Annette Dubas, Nebraska Association of Behavioral Health Organizations

Opponents:

Drew Gonshorowski, Department of Health and Human Services

Neutral: None

Committee vote to attach LB55:

Yes: 5 Cavanaugh, M., Dorn, Dover, Prokop, Spivey;

No: 3 Clements, Armendariz, Lippincott;

Absent: 0;



Present Not Voting: 1 Strommen;

LB 57 (Dorn) – The bill, as amended by the Committee, appropriates cash funds from the Medicaid Managed Care Excess Profit Fund in an amount sufficient to increase the rural single occupancy daily rate to the urban single occupancy daily rate (\$73.91). Total funds appropriated are \$1,408,364 cash funds and \$1,817,390 federal funds.

Testifiers on LB57:

Proponents:

Senator Myron Dorn, Opening Presenter

Jalene Carpenter, Nebraska Healthcare Association

Marv Fritz, The Evergreen Assisted Living Facility

Eldonna Rayburn, Nebraska Healthcare Association, Leading Age, The Lexington Assisted Living

Lisa Nielsen, Nebraska Healthcare Association, Stone Hearth Estates Assisted & Independent Living, Grandview Assisted & Independent Living, Prairie Winds Assisted Living, Ray Brown and Associates

Kierstin Reed, Leading Age Nebraska

Hannah Marie Graham, Parkview Lodge

Opponents: None

Neutral: None

Committee vote to attach LB57:

Yes: 9 Clements, Armendariz, Cavanaugh, M., Dorn, Dover, Lippincott, Prokop, Spivey, Strommen;

No: 0;

Absent: 0;

Present Not Voting: 0;

LB 173 (Prokop) – The bill, as amended by the committee, appropriates \$5,000,000 per year of General Funds. The appropriation is for aid to community colleges for dual enrollment purposes.

Testifiers on LB173:

Proponents:

Senator Jason Prokop, Opening Presenter

Leah Barrett, Nebraska Community College Association, Northeast Community College

Randy Schmailzl, Metro Community College

John Schwartz, Metropolitan Omaha Educational Consortium

Sapphire Guzman, Southeast Community College

Jason Buss, Camaco Ilc, Central Community College

Mark Shepard, Fremont Public Schools, Greater Nebraska Schools Association,

Erin May, Doane University

Melissa Poloncic, DC West Community Schools

Jon Cerny, Bancroft- Rosalie School

John Ross, Self

Jackie Nielson, Beatrice Public Schools

Michael Johnson, Nebraska Chambers of Commerce & Industry, Nebraska Council of School Administrators, Greater Omaha and Lincoln Chamber, West Point Chamber, Cheyenne County Chamber, Wayne America, Broken Bow Chamber, Washington County Chamber, Falls City Chamber, South Sioux City Chamber, Aurora Chamber, O'Neill Chamber, Fremont Chamber, North Platte Chamber, Kearney Chamber, Keith County Chamber

Opponents: None



Neutral: None

Committee vote to attach LB173:

Yes: 5 Dover, Cavanaugh, M., Prokop, Spivey, Strommen;

No: 4 Clements, Armendariz, Dorn, Lippincott;

Absent: 0;

Present Not Voting: 0;

LB 452 (Prokop) – The bill appropriates \$500,000 of federal Temporary Assistance for Needy Families funds per fiscal year for court-appointed special advocate aid.

Testifiers on LB452:

Proponents:

Senator Jason Prokop, Opening Presenter

Corrie Kielty, Nebraska Court Appointed Special Advocate Association

Christopher Johnson, Nebraska Court Appointed Special Advocate Association, York County Attorney's Office, Polk County Attorney

Opponents: None

Neutral:

Diane Amdor, Nebraska Appleseed

Committee vote to attach LB452:

Yes: 9 Clements, Armendariz, Cavanaugh, M., Dorn, Dover, Lippincott, Prokop, Spivey, Strommen;

No: 0;

Absent: 0;

Present Not Voting: 0;

LB 505 (Prokop) – The bill, as amended by the Committee, reduces the appropriation to FY2025-26 only, appropriating \$10 million of federal Temporary Assistance for Needy Families funds in FY2025-26 for grants to nonprofits that provide food assistance.

Testifiers on LB505:

Proponents:

Senator Jason Prokop, Opening Presenter

Michaela Kumke, Food Bank of Lincoln

Alex McKiernan, Robinette Farms

Max Scott Young, Food Bank of Lincoln-Volunteer, Feeding America- Volunteer

Adam DeMike, Tabitha's Thread

Dave VanKat, Catholic Charities of Omaha

Brian Barks, Food Bank for the Heartland

Opponents: None

Neutral:

Diane Amdor, Nebraska Appleseed

Committee vote to attach LB505:

Yes: 8 Clements, Armendariz, Dorn, Dover, Lippincott, Prokop, Spivey, Strommen;

No: 0;



Absent: 0;

Present Not Voting: 1 Cavanaugh, M.;

LB 580 (Cavanaugh) – The bill reappropriates funds in the Lead Service Line Cash Fund for grants to metropolitan utilities districts for lead service line replacements.

Testifiers on LB580:

Proponents:

Senator Machaela Cavanaugh, M., Opening Presenter

Rick Kubat, Metropolitan Utilities District

Opponents: None

Neutral: None

Committee vote to attach LB580:

Yes: 9 Clements, Armendariz, Cavanaugh, M., Dorn, Dover, Lippincott, Prokop, Spivey, Strommen;

No: 0;

Absent: 0;

Present Not Voting: 0;

LB 581 (Cavanaugh) – The bill, as amended by the Committee, appropriates \$500,000 in FY2025-26 only from the Health Care Cash Fund and includes earmark language for the grant eligibility. The bill, as amended, appropriates funds for a grant to a nonprofit entity for construction costs related to a new facility.

Testifiers on LB581:

Proponents:

Senator Machaela Cavanaugh, M., Opening Presenter

Carla O'Donnell-Rizzo, Completely Kids

Opponents: None

Neutral: None

Committee vote to attach LB581:

Yes: 5 Cavanaugh, M., Dover, Prokop, Spivey, Strommen;

No: 4 Clements, Armendariz, Lippincott, Dorn;

Absent: 0;

Present Not Voting: 0;

LB 621 (Dover) – The bill, as amended by the Committee, appropriates \$500,000 in FY2026-27 only from the Health Care Cash Fund and includes earmark language. The bill, as amended, appropriates funds to DHHS for expanded health care access to the Nebraska Medicine Midtown Health Center.

Testifiers on LB621:

Proponents:

Senator Robert Dover, Opening Presenter

Amy Behnke, Health Center Association of Nebraska

Tami Smith, Heartland Health Center

Kathy Nordby, Midtown Health Center, Inc.

Angie Stenger, Growing Together Northeast Nebraska



Opponents: None

Neutral: None

Committee vote to attach LB621:

Yes: 6 Cavanaugh, M., Dorn, Dover, Prokop, Spivey, Strommen;

No: 3 Clements, Armendariz, Lippincott;

Absent: 0;

Present Not Voting: 0;

LB 627 (Dover) – The bill, as amended by the Committee, appropriates \$250,000 of General Funds in FY2025-26 only for a study related to a residential facility for nursing and allied health professionals in Norfolk, NE, and includes intent language related to appropriating funds for the facility to the University of Nebraska, beginning in FY2027-28, in the amount of \$750,000 per year for twenty years. The bill, as amended, appropriates the study funds in a capital construction budget program to the University of Nebraska and includes intent language for future appropriations.

Testifiers on LB627:

Proponents:

Senator Robert Dover, Opening Presenter

Kathy Nordby, Self

Austen Hagood, Norfolk Area Chamber of Commerce

Angie Stenger, Growing Together Northeast Nebraska, Aksarben Foundation

Andrew Colvin, City of Norfolk

Jason Love, Midwest Bank

Alison Mason, self

Jim Scheer, Self

Opponents: None

Neutral:

Matt Blomstedt, University of Nebraska

Committee vote to attach LB627:

Yes: 6 Cavanaugh, M., Dorn, Dover, Prokop, Spivey, Strommen;

No: 3 Clements, Armendariz, Lippincott;

Absent: 0;

Present Not Voting: 0;

Robert Clements, Chairperson

