

ENGROSSED LEGISLATIVE BILL 1126

Introduced by Moser, 22.

A BILL FOR AN ACT relating to law; to amend sections 13-2901, 13-2902, 13-2903, 13-2904, 13-2905, 13-2911, 13-2912, 13-2914, 39-1638, 39-1639, 39-1640, 39-1641, 39-1642, 39-1643, 39-1644, 39-1645, 39-1646, 39-1647, 39-1648, 39-1649, 39-1650, 39-1651, 39-1652, 39-1653, 39-1655, 60-507, 60-513, 60-695, 60-6,299, 75-303.01, 75-303.02, and 75-303.03, Reissue Revised Statutes of Nebraska, sections 39-1351, 39-2801, 39-2802, 39-2811, 39-2814, 39-2824, 39-2825, 60-462, 60-699, 60-6,123, 75-118, 75-302, and 75-307, Revised Statutes Cumulative Supplement, 2024, and sections 60-4,131, 60-601, 60-605, 60-6,298, 75-126, 75-311, 75-342, 86-903, 86-1070, and 86-1071, Revised Statutes Supplement, 2025; to provide and change fees; to define and redefine terms; to adopt the Infrastructure Development Investment Program Act; to provide for public-private partnership contracts under the Political Subdivisions Construction Alternatives Act; to change and eliminate provisions relating to rural road improvement districts; to provide for unsolicited proposals under and change and eliminate provisions of the Transportation Innovation Act; to require commercial motor vehicle driver training to include antitrafficking training under the Motor Vehicle Operator's License Act; to change provisions relating to the suspension of operators' licenses by the Department of Motor Vehicles, the security required by the Motor Vehicle Safety Responsibility Act, traffic accident reporting requirements, requirements for date of birth information included in certain vehicle accident reports, and permits and permit fees under the Nebraska Rules of the Road; to provide requirements for the control of bicycle traffic, regulation of certain rates charged by motor carriers and regulated motor carriers, and licenses to engage in intrastate medicaid nonemergency medical transportation services; to change the amount and

usage of wireless service surcharges; to harmonize provisions; to repeal the original sections; and to outright repeal section 39-1654, Reissue Revised Statutes of Nebraska.

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

Section 1. Sections 1 to 39 of this act shall be known and may be cited as the Infrastructure Development Investment Program Act.

Sec. 2. The purpose of the Infrastructure Development Investment Program Act is to assist in financing qualified projects by providing loans and other forms of financial assistance to eligible entities for the construction, improvement, or enhancement of transportation infrastructure that is necessary for public purposes.

Sec. 3. For purposes of the Infrastructure Development Investment Program Act:

(1) Capitalization means the aggregate of all funds deposited in the investment program from any federal, state, local, or private source, including, but not limited to, any transfer, grant, loan, loan repayment, investment earning, and bond proceed;

(2) Commission means the State Highway Commission;

(3) Contracting agency has the same meaning as in section 39-2802;

(4) Department means the Department of Transportation or any successor agency designated to implement and administer the Infrastructure Development Investment Program Act;

(5) Eligible cost means:

(a) For any project that is federally funded, any cost permitted under an applicable federal statute, regulation, or guidance document that governs state infrastructure banks, transportation credit programs, or revolving loan funds;

(b) For any project that is funded by this state or a political subdivision of this state, any cost, including, but not limited to, the cost for any: Preliminary engineering; traffic, revenue, or environmental study; right-of-way acquisition; legal, financial, and technical consulting service; construction or construction management; project facility; equipment; or

nonoperating cost that is necessary for the completion of an eligible project;
or

(c) For any project that is a hybrid or multi-sector project, any cost approved by the commission, including any intermodal or utility-related infrastructure that is necessary for project integration;

(6)(a) Eligible entity means any:

(i) Political subdivision;

(ii) Contracting agency; or

(iii) Private partner engaged in a public-private partnership as defined in section 39-2802.

(b) Eligible entity includes any combination of two or more such political subdivisions or private partners, acting jointly to finance, construct, own, or operate an eligible project;

(7)(a) Eligible project means any transportation infrastructure project that provides any of the following public benefits:

(i) Accelerating the delivery of transportation improvements;

(ii) Enhancing the mobility or safety of people in this state;

(iii) Enhancing the economy of this state;

(iv) Promoting economic development in this state; or

(v) Improving the quality of life of the general public.

(b) Eligible project includes, but is not limited to, any highway, street, road, bridge, transit system, rail facility, airport, port, and bicycle or pedestrian facility;

(8) Financial assistance includes, but is not limited to, any loan, credit enhancement, capital or debt service reserve, interest rate subsidy, provision of letter of credit, line of credit, and guarantee, and any other lawful financing mechanism that is approved by the commission and, where applicable, is consistent with federal and state law;

(9)(a) Financing agreement means any contract or instrument executed between the investment program and an eligible entity for a loan or financial assistance.

(b) Financing agreement includes, but is not limited to, any loan agreement, trust indenture, security or reimbursement agreement, guarantee agreement, and resolution, and any similar instrument that is approved by the commission that contains loan terms and repayment provisions;

(10) Investment program means the infrastructure development investment program created under section 4 of this act; and

(11) Political subdivision has the same meaning as in section 39-2802.

Sec. 4. (1) The infrastructure development investment program is created and shall be housed within the department for administrative purposes.

(2) The commission shall administer the investment program, with administrative and operational support from the department. The department shall provide the commission with the necessary personnel to manage the day-to-day operations of the investment program.

(3) The commission is the final authority for selecting projects to receive financial assistance from the investment program.

Sec. 5. (1) The commission shall:

(a) Adopt bylaws, policies, and operating procedures that govern the administration of the investment program;

(b) Approve or deny applications for financial assistance based on established evaluation criteria;

(c) Establish financial, risk management, and internal control policies consistent with generally accepted accounting principles; and

(d) Approve annual budgets, audits, and reports for the investment program.

(2) The commission may:

(a) Enter into any cooperative agreement with any federal or state agency, local government, or private entity; and

(b) Delegate any administrative or technical function to any personnel or agent of the commission as necessary to implement the Infrastructure Development Investment Program Act.

Sec. 6. The commission may establish an advisory committee that is

comprised of representatives from eligible entities, metropolitan planning organizations, and the private sector for the purpose of providing guidance on project prioritization, credit policy, or compliance matters.

Sec. 7. (1) The Infrastructure Development Investment Program Fund is created. The commission shall administer the fund. The fund shall consist of any:

- (a) Transfer authorized by the Legislature;
- (b) Federal money, including, but not limited to, any loan, grant, or cooperative agreement proceeds;
- (c) State or local grant;
- (d) Contribution, donation, endowment, or grant from any public or private source;
- (e) Repayment, interest, or fee, or other income generated by investment program assistance;
- (f) Bond proceeds or other financing proceeds; and
- (g) Lawful source that is approved by the commission.

(2) Money in the fund may be used by the commission for any purpose that is described in section 8 of this act.

(3) Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

(4) All repayments of money provided from the fund and all investment earnings from money in the fund shall be credited to the fund.

(5) It is the intent of the Legislature that all money in the fund shall be appropriated each fiscal year for the purposes that are described in section 8 of this act.

Sec. 8. Subject to applicable federal and state law, money in the Infrastructure Development Investment Program Fund may be used to:

- (1) Provide any financial assistance to any eligible entity for any eligible project;
- (2) Establish reserves, capitalized interest, credit enhancement, and

pooled financing structures that strengthen the credit capacity of the investment program;

(3) Pay reasonable administrative costs of the investment program, including portfolio monitoring and collection; and

(4) Refinance or obtain interim financing used for any eligible cost.

Sec. 9. (1) For administration of the investment program, the commission may establish any:

(a) Federal, state, or local account or subaccount within the investment program that is necessary to meet any applicable federal or state law requirement;

(b) Bond-related account or subaccount within the investment program that is necessary to meet any applicable federal or state law requirement; or

(c) Account within the investment program that the commission determines is necessary or desirable to implement the Infrastructure Development Investment Program Act.

(2) The investment program shall consist of the following account structure:

(a) Federal accounts: Separate accounts established for federal highway, transit, rail, and rural project funds;

(b) State and local accounts: Separate accounts for state and local transportation funds; and

(c) Administrative accounts: Separate accounts to be used by the department for the cost of administering the investment program.

(3) The investment program shall comply with all applicable federal laws and regulations prohibiting the commingling of certain federal funds deposited in the investment program.

(4) Money in each account shall be tracked and used consistent with the legal requirements of the source of such money.

Sec. 10. The investment program may make any contract and execute any instrument that is necessary or convenient to provide financial assistance, including any:

(1) Loan agreement, trust indenture, intercept agreement, or reimbursement agreement;

(2) Acceptance of a pledge of project revenue, special assessment, user fee, tax increment, or other legally available revenue;

(3) Requirement or funding of any reserve fund to secure repayment; or

(4) Participation in any pooled financing or senior-subordinate structure.

Sec. 11. (1) Any political subdivision may apply to the department for a loan from the investment program on a form prescribed by the department.

(2) The terms of a duly executed loan or assistance contract are binding on the borrower, and the borrower shall unconditionally repay from pledged sources.

Sec. 12. If a borrower of a loan from the investment program fails to comply with any contract term related to such loan or fails to make any payment when due, the investment program may:

(1) Pursue any legal or equitable remedy;

(2) Request that the Legislature reduce any appropriation to such borrower by the amount that is owed to the investment program and appropriate such amount to the investment program. The money for any such appropriation to the investment program shall be transferred into the Infrastructure Development Investment Program Fund and used to pay the outstanding debt of such borrower; and

(3) Draw on any pledged reserve or credit facility that is securing the obligation.

Sec. 13. The investment program shall maintain accounts in accordance with generally accepted accounting principles and applicable federal requirements, subject to annual independent audit.

Sec. 14. An obligation of the investment program is a special, limited obligation that is payable solely from the revenue and assets of the investment program and shall not constitute a pledge of the full faith and credit of the State of Nebraska unless expressly authorized by separate statute.

Sec. 15. (1) The investment program may provide financial assistance to

any eligible entity for any eligible project. Such financial assistance may be in any lawful form, including any loan, loan guarantee, line of credit, letter of credit, lease, lease-purchase agreement, interest-rate subsidy, or credit enhancement, or any other financing instrument that is approved by the commission.

(2)(a) All financial assistance provided by the investment program shall be evidenced by a financing agreement that sets forth the principal amount, interest rate, repayment schedule, security provisions, covenants, and remedies upon default.

(b) The commission shall establish:

(i) Standardized documents for financial assistance that is provided by the investment program; and

(ii) Credit criteria that will be applied when the investment program is deciding to provide financial assistance in order to ensure consistency, transparency, and fiscal integrity.

(3) Interest rates shall be set by the commission, within the limitations of section 45-101.03, to reflect project risk, market conditions, term length, and creditworthiness, and may include subsidies for projects of statewide significance or in economically distressed areas.

(4) The commission may charge an application fee for providing financial assistance from the investment program. Such fee shall not exceed one thousand dollars.

Sec. 16. (1) The maturity for any financial assistance that is provided under the Infrastructure Development Investment Program Act shall not exceed the lesser of the useful life of the financed asset or thirty years, unless federal law allows a longer term or the commission determines a longer term pursuant to state law.

(2) At the discretion of the commission, the repayment of any financial assistance that is provided under the Infrastructure Development Investment Program Act shall begin after completion of the project or upon the generation of revenue from the project.

(3) The borrower of any financial assistance that is provided under the Infrastructure Development Investment Program Act may prepay any required payment for such financial assistance. No penalty is permitted for such prepayment unless provided for by a bond covenant.

Sec. 17. (1) Financial assistance that is provided under the Infrastructure Development Investment Program Act shall be secured by the pledge of revenue from the project or system, any legally available source, or any collateral required by the commission.

(2) The commission may require any reserve, intercept of any state aid allocation, guarantee, or letter of credit to secure repayment.

(3) A public borrower may pledge revenue or credit only to the extent permitted by state law and by ordinance or resolution of a political subdivision.

Sec. 18. (1) The investment program may subordinate its lien to senior debt if the commission determines that such subordination is necessary to finance the project and is consistent with any bond covenant.

(2) The investment program may extend, defer, capitalize, or restructure repayments to preserve project viability or to mitigate financial hardship, subject to federal requirements and the approval of the commission.

Sec. 19. In the event of a default by a borrower under the Infrastructure Development Investment Program Act, the investment program may pursue any lawful remedy, including acceleration, set-off, intercept of state aid that is otherwise due to the borrower, or transfer of collateral, consistent with constitutional and federal limitations.

Sec. 20. (1) The investment program may provide financial assistance to an eligible entity to pay for all or part of the eligible cost of an eligible project. The investment program may require the eligible entity to enter into a financing agreement in connection with its financial assistance obligation.

(2) The commission shall determine the form and content of such financing agreement and financial assistance obligations, including the term and rate or rates of interest on a financing agreement.

(3) The terms and conditions of financial assistance from any federal account shall comply with applicable federal requirements.

Sec. 21. The commission shall prioritize the approval of applications for financial assistance based on objective criteria, including, but not limited to:

- (1) Economic impact and job creation;
- (2) Safety and system resilience benefits;
- (3) Readiness and financial feasibility;
- (4) Public benefit;
- (5) Consistency with statewide transportation goals;
- (6) Leverage of private capital or money that is not provided by the State of Nebraska;
- (7) Local support of the project; and
- (8) The ability for the applicant to repay the financial assistance according to the established terms and conditions.

Sec. 22. The investment program shall cause an annual independent audit of all financial activities, including loan portfolios, investment earnings, debt obligations, and fund transfers. The audit shall be performed by a certified public accounting firm in accordance with generally accepted government auditing standards.

Sec. 23. (1) The investment program shall prepare and electronically submit a report to the Clerk of the Legislature no later than November 1 of each year. The report shall include the following information relating to the investment program:

- (a) A statement of financial position and changes in net assets;
- (b) A summary of lending and investment activities for each account and eligible project;
- (c) A list of each project that is financed, including the borrower, purpose, loan terms, and repayment status; and
- (d) Administrative and operating costs, fees collected, and reserve balances.

(2) Each such report shall be published and made publicly available on the website for the investment program.

Sec. 24. The investment program shall operate in compliance with:

(1) Federal law and program guidance applicable to state infrastructure banks, including capitalization, use-of-funds, and reporting requirements established under 23 U.S.C. 610, or any other applicable federal law, as such federal law existed on January 1, 2026;

(2) State fiscal and procurement laws, except where specific exemptions are provided under the Infrastructure Development Investment Program Act; and

(3) Any cooperative agreements entered into with the United States Department of Transportation and its operating administrations or other federal agencies.

Sec. 25. The investment program is authorized to issue revenue bonds, notes, or other evidence of indebtedness for the purposes of financing, refinancing, or refunding loans and other eligible costs under the Infrastructure Development Investment Program Act. Obligations may be issued in any amount and at any time as approved by the commission to meet the funding needs of any approved project. The issuance of bonds under the Infrastructure Development Investment Program Act is separate and distinct from any authority or limitation to issue bonds under the Nebraska Highway Bond Act.

Sec. 26. (1) Each obligation that is issued by the investment program shall be a special, limited obligation that is payable solely from revenue, repayments, pledged receipts, or other legally available funds of the investment program, and shall not constitute a general obligation of the State of Nebraska or a pledge of the full faith and credit of the State of Nebraska.

(2) Each obligation shall bear a clear statement on its face that such obligation is a special, limited obligation that is payable solely from revenue, repayments, pledged receipts, or other legally available funds of the investment program, and shall not constitute a general obligation of the State of Nebraska or a pledge of the full faith and credit of the State of Nebraska.

(3) The holder of an obligation shall not have the right to compel the

levy of any tax or compel any appropriation by the State of Nebraska for the payment of debt service.

Sec. 27. (1) The investment program shall maintain a debt service coverage ratio consistent with prudent fiscal standards and bond covenants.

(2) No obligation shall be issued that would cause the debt or liability of the investment program to exceed available pledged revenue.

Sec. 28. (1) Prior to issuance, an obligation shall be authorized by a resolution of the commission specifying the principal amount, purpose, interest rate or rates, maturities of not to exceed forty years, redemption provisions, and all other terms of the obligation.

(2) The commission may delegate execution and sale authority to any designated issuing authority.

(3) Bond proceedings may include:

(a) A trust indenture or similar agreement that establishes pledges of revenue, covenants, reserve requirements, and flow-of-funds structures;

(b) Authorization for refunding or advance refunding;

(c) Creation of special funds and reserve accounts; and

(d) Appointment of trustees, paying agents, and financial advisors as needed.

Sec. 29. (1) The investment program may pledge any repayment, investment earning, or interest subsidy, or any other investment program income to the payment of any obligation or related reserve.

(2) Each such pledge shall constitute a valid and binding lien upon the pledged revenue from the time of the pledge, without the need for physical delivery, filing, or recording.

(3) Each such lien shall be valid and enforceable against any party having a claim of any kind against the investment program, whether or not such party has notice of the lien.

Sec. 30. (1) Any obligation may be sold at public or private sale, as determined by the commission, at any price and interest rate deemed to be in the best interest of the investment program.

(2) Each obligation shall be executed on behalf of the investment program by the officer authorized pursuant to rules and regulations that are adopted and promulgated by the commission.

(3) Each such obligation may bear a facsimile seal and signature, which remain valid even if the officer ceases to hold office prior to delivery.

Sec. 31. The investment program may issue any refunding or advance refunding obligation to retire outstanding debt, reduce debt service, restructure any maturity, or achieve savings. Any such refunding shall not extend any final maturity beyond the useful life of the financed asset.

Sec. 32. (1) The investment program shall maintain a bond service account and such reserve accounts as required by bond proceedings.

(2) Debt service payments from pledged revenue or other legally available money that are remitted to the State Treasurer shall be credited by the State Treasurer to the Infrastructure Development Investment Program Fund.

(3) For each fiscal year, the investment program shall annually determine and set aside an amount of money that is sufficient to pay the principal, interest, and costs related to the payment of such principal and interest that are due during such fiscal year.

Sec. 33. An obligation that is issued under the Infrastructure Development Investment Program Act, the transfer of such obligation, and the income from such issuance and transfer, including the profit from the sale of such obligation, shall be exempt from state and local taxation.

Sec. 34. An obligation that is issued under the Infrastructure Development Investment Program Act shall be a lawful investment for any bank, trust company, insurance company, pension fund, or other fiduciary and may be accepted as security for the deposit of public money.

Sec. 35. Each obligation shall be issued in conformity with the Infrastructure Development Investment Program Act and federal securities regulations, including continuing disclosure requirements and limitations on arbitrage earnings under 26 U.S.C. 148, as such section existed on January 1, 2026.

Sec. 36. (1) In the event of default, any bondholder or trustee may enforce any covenant through any mandamus, injunction, or other equitable proceeding, consistent with the bond proceedings.

(2) Any trustee may be empowered to receive and administer pledged revenue and ensure payment of debt service under the terms of a trust indenture.

Sec. 37. (1) The commission may adopt and promulgate rules and regulations to carry out the Infrastructure Development Investment Program Act.

(2) No later than July 1, 2027, the commission shall adopt and promulgate rules and regulations to provide for:

(a) The transparent, equitable, and nondiscriminatory administration of financial assistance;

(b) Public oversight and consistent scoring criteria for applications and project evaluations;

(c) Systems to track compliance, defaults, and repayments;

(d) Prompt corrective actions to address any audit finding or material weakness;

(e) Administration of the Infrastructure Development Investment Program Act and response to evolving best practices in infrastructure finance and management; and

(f) Application procedures, loan evaluation, pricing standards, credit ratings, and ongoing monitoring to protect the integrity of the portfolio of the investment program and ensure access across jurisdictions.

Sec. 38. (1) The commission shall adopt and maintain internal control policies, investment standards, and risk management frameworks to ensure prudent fiscal operations.

(2) Such controls shall comply with applicable state auditing, ethics, and administrative procedures.

Sec. 39. The investment program shall maintain a website for access by the public. At a minimum, such website shall contain reports published by the investment program or the commission, rules and regulations adopted and promulgated under the Infrastructure Development Investment Program Act, and

information for obtaining financial assistance from the investment program.

Sec. 40. Section 13-2901, Reissue Revised Statutes of Nebraska, is amended to read:

13-2901 Sections 13-2901 to 13-2914 and section 46 of this act shall be known and may be cited as the Political Subdivisions Construction Alternatives Act.

Sec. 41. Section 13-2902, Reissue Revised Statutes of Nebraska, is amended to read:

13-2902 The purpose of the Political Subdivisions Construction Alternatives Act is to authorize a political subdivision to enter into a design-build contract which is subject to qualification-based selection, a construction management at risk contract, or a public-private partnership contract for a public project if the political subdivision adheres to the procedures set forth in the act.

Sec. 42. Section 13-2903, Reissue Revised Statutes of Nebraska, is amended to read:

13-2903 For purposes of the Political Subdivisions Construction Alternatives Act:

(1) Construction management at risk contract means a contract by which a construction manager (a) assumes the legal responsibility to deliver a construction project within a contracted price to the political subdivision, (b) acts as a construction consultant to the political subdivision during the design development phase of the project when the political subdivision's architect or engineer designs the project, and (c) is the builder during the construction phase of the project;

(2) Construction manager means the legal entity which proposes to enter into a construction management at risk contract pursuant to the act;

(3) Design-build contract means a contract which is subject to qualification-based selection between a political subdivision and a design-builder to furnish (a) architectural, engineering, and related design services for a project pursuant to the act and (b) labor, materials, supplies,

equipment, and construction services for a project pursuant to the act;

(4) Design-builder means the legal entity which proposes to enter into a design-build contract which is subject to qualification-based selection pursuant to the act;

(5) Letter of interest means a statement indicating interest to enter into a design-build contract or a construction management at risk contract for a project pursuant to the act;

(6) Performance-criteria developer means any person licensed or any organization issued a certificate of authorization to practice architecture or engineering pursuant to the Engineers and Architects Regulation Act who is selected by a political subdivision to assist the political subdivision in the development of project performance criteria, requests for proposals, evaluation of proposals, evaluation of the construction under a design-build contract to determine adherence to the performance criteria, and any additional services requested by the political subdivision to represent its interests in relation to a project;

(7) Political subdivision means any city, village, county, natural resources district, metropolitan utilities district, public power district, public power and irrigation district, school district, community college, or state college;

(8) Project performance criteria means the performance requirements of the project suitable to allow the design-builder to make a proposal. Performance requirements include the following, if required by the project: Capacity, durability, standards, ingress and egress requirements, description of the site, surveys, soil and environmental information concerning the site, interior space requirements, material quality standards, design and construction schedules, site development requirements, provisions for utilities, storm water retention and disposal, parking requirements, applicable governmental code requirements, and other criteria for the intended use of the project;

(9) Proposal means an offer in response to a request for proposals (a) by a design-builder to enter into a design-build contract for a project pursuant

to the Political Subdivisions Construction Alternatives Act or (b) by a construction manager to enter into a construction management at risk contract for a project pursuant to the act;

(10) Public-private partnership means a project delivery method for construction or financing of capital projects or procurement of services under a written public-private partnership agreement entered into pursuant to section 13-2904 between at least one private partner and a political subdivision;

(11) Public-private partnership contract means a contract between a private partner and a political subdivision that is entered into pursuant to section 46 of this act;

(12) Qualification-based selection process means a process of selecting a design-builder based first on the qualifications of the design-builder and then on the design-builder's proposed approach to the design and construction of the project;

(13) Request for letters of interest means the documentation or publication by which a political subdivision solicits letters of interest;

(14) Request for proposals means the documentation by which a political subdivision solicits proposals; and

(15) School district means any school district classified under section 79-102.

Sec. 43. Section 13-2904, Reissue Revised Statutes of Nebraska, is amended to read:

13-2904 (1) Notwithstanding the procedures for public lettings in sections 73-101 to 73-106 or any other statute relating to the letting of bids by a political subdivision, a political subdivision which follows the Political Subdivisions Construction Alternatives Act may do any of the following:

(a) Solicit and execute a design-build contract or a construction management at risk contract; and

(b) Enter into a public-private partnership contract.

(2) A political subdivision may receive, evaluate, and execute any unsolicited proposal from a private party. Such proposal may be initiated by

such private party. A public-private partnership contract may be entered into between the private party and political subdivision without complying with the requirements for design-build contracts or construction management at risk contracts under the Political Subdivisions Construction Alternatives Act.

(3) The governing body of the political subdivision shall adopt a resolution selecting the design-build contract, construction management at risk contract, or public-private partnership contract delivery system provided under the act prior to proceeding under sections 13-2905 to 13-2914 and section 46 of this act. The resolution shall require the affirmative vote of at least two-thirds of the governing body of the political subdivision. For a project authorized under subsection (3) of section 13-2914, the resolution shall include a statement that the political subdivision has made a determination that the design-build contract, construction management at risk contract, or public-private partnership contract delivery system is in the public interest based, at a minimum, on one of the following criteria: (a) Savings in cost or time or (b) requirement of specialized or complex construction methods suitable for the design-build contract, construction management at risk contract, or public-private partnership contract delivery system.

Sec. 44. Section 13-2905, Reissue Revised Statutes of Nebraska, is amended to read:

13-2905 The political subdivision shall adopt policies for entering into a design-build contract, construction management at risk contract, or public-private partnership contract. The policies shall require that such contracts include the following:

(1) Procedures for selecting and hiring on its behalf a performance-criteria developer when soliciting and executing a design-build contract. The procedures shall be consistent with the Nebraska Consultants' Competitive Negotiation Act and shall provide that the performance-criteria developer (a) is ineligible to be included as a provider of any services in a proposal for the project on which it has acted as performance-criteria developer and (b) is not employed by or does not have a financial or other interest in a design-

builder or construction manager who will submit a proposal;

(2) Procedures for the preparation and content of requests for proposals;

(3) Procedures and standards to be used to prequalify design-builders and construction managers. The procedures and standards shall provide that the political subdivision will evaluate prospective design-builders and construction managers based on the information submitted to the political subdivision in response to a request for letters of interest and will select design-builders or construction managers who are prequalified and consequently eligible to respond to the request for proposals;

(4) Procedures for preparing and submitting proposals;

(5) Procedures for receiving and evaluating unsolicited proposals from private parties that are outside of the proposal process for design-build contracts and construction management at risk contracts;

(6) Procedures for evaluating proposals in accordance with sections 13-2908, 13-2910, and 13-2911;

(7) Procedures for negotiations between the political subdivision and the design-builders or construction managers submitting proposals prior to the acceptance of a proposal if any such negotiations are contemplated;

(8) Procedures for filing and acting on formal protests relating to the solicitation or execution of design-build contracts or construction management at risk contracts; and

(9) Procedures for the evaluation of construction under a design-build contract by the performance-criteria developer to determine adherence to the performance criteria.

Sec. 45. Section 13-2911, Reissue Revised Statutes of Nebraska, is amended to read:

13-2911 (1) In evaluating proposals in accordance with sections 13-2908 and 13-2910 and section 46 of this act, the political subdivision shall refer the proposals for recommendation to a selection committee. The selection committee shall be a group of at least five persons designated by the political subdivision. Members of the selection committee shall include (a) members of

the governing body of the political subdivision, (b) members of the administration or staff of the political subdivision, (c) the performance-criteria developer when evaluating proposals from design-builders under section 13-2908 or the political subdivision's architect or engineer when evaluating proposals from construction managers under section 13-2910, (d) any person having special expertise relevant to selection of a design-builder or construction manager under the Political Subdivisions Construction Alternatives Act, and (e) a resident of the political subdivision other than an individual included in subdivisions (a) through (d) of this subsection. A member of the selection committee designated under subdivision (d) or (e) of this subsection shall not be employed by or have a financial or other interest in a design-builder or construction manager who has a proposal being evaluated and shall not be employed by the political subdivision or the performance-criteria developer.

(2) The selection committee and the political subdivision shall evaluate proposals taking into consideration the criteria enumerated in subdivisions (a) through (g) of this subsection with the maximum percentage of total points for evaluation which may be assigned to each criterion set forth following the criterion. The following criteria shall be evaluated, when applicable:

(a) The financial resources of the design-builder, construction manager, or public-private partnership to complete the project, ten percent;

(b) The ability of the proposed personnel of the design-builder, construction manager, or public-private partnership to perform, thirty percent;

(c) The character, integrity, reputation, judgment, experience, and efficiency of the design-builder, construction manager, or public-private partnership, thirty percent;

(d) The quality of performance on previous projects, thirty percent;

(e) The ability of the design-builder, construction manager, or public-private partnership to perform within the time specified, thirty percent;

(f) The previous and existing compliance of the design-builder, construction manager, or public-private partnership with laws relating to the

contract, ten percent; and

(g) Such other information as may be secured having a bearing on the selection, twenty percent.

(3) The records of the selection committee in evaluating proposals and making recommendations shall be considered public records for purposes of section 84-712.01.

Sec. 46. (1) This section applies to unsolicited proposals under the Political Subdivisions Construction Alternatives Act.

(2) If the governing body of a political subdivision determines that there is sufficient merit to pursue such unsolicited proposal, a reasonable opportunity shall be provided for other private parties to submit competing proposals for consideration.

(3) A political subdivision may charge and retain an administrative fee of not more than five hundred dollars for:

(a) The initial evaluation and detailed review of an unsolicited proposal;
and

(b) The review of any competing proposal.

(4) The political subdivision may:

(a) Spend money bonded or otherwise raised for the purpose of reviewing, developing, or implementing any unsolicited proposal; and

(b) Enter into any public-private partnership contract for a proposal that is deemed by the governing body of the political subdivision to be in the best interest of the political subdivision.

Sec. 47. Section 13-2912, Reissue Revised Statutes of Nebraska, is amended to read:

13-2912 (1) A design-build contract, construction management at risk contract, or public-private partnership contract may be conditioned upon later refinements in scope and price and may permit the political subdivision in agreement with the design-builder, construction manager, or private partner to make changes in the project without invalidating the contract.

(2) Later refinements under this section shall not exceed the scope of the

project statement contained in the request for proposals pursuant to section 13-2907 or 13-2909. This subsection (2) does not apply to public-private partnership contracts.

Sec. 48. Section 13-2914, Reissue Revised Statutes of Nebraska, is amended to read:

13-2914 (1) A political subdivision shall not use a design-build contract, construction management at risk contract, or public-private partnership contract under the Political Subdivisions Construction Alternatives Act for a project, in whole or in part, for road, street, or highway construction.

(2) A city of the metropolitan class may use a design-build contract, construction management at risk contract, or public-private partnership contract under the Political Subdivisions Construction Alternatives Act for the purpose of complying with state or federal requirements to control or minimize overflows from combined sewers.

(3) A political subdivision may use a design-build contract, construction management at risk contract, or public-private partnership contract under the Political Subdivisions Construction Alternatives Act for a project, in whole or in part, for water, wastewater, utility, or sewer construction.

Sec. 49. Section 39-1351, Revised Statutes Cumulative Supplement, 2024, is amended to read:

39-1351 (1) Except as provided in subsection (2) of this section, any person desiring to submit to the department a bid for the performance of any contract for the construction, reconstruction, improvement, maintenance, or repair of roads, bridges, and their appurtenances, which the department proposes to let, shall apply to the department for prequalification. Such application shall be made not later than five days before the letting of the contract unless fewer than five days is specified by the department. The department shall determine the extent of any applicant's qualifications by a full and appropriate evaluation of the applicant's experience, bonding capacity as determined by a bonding agency licensed to do business in the State of Nebraska or other sufficient financial showing deemed satisfactory by the

department, and performance record. In determining the qualification of an applicant to bid on any particular contract, the department shall consider the resources available for the particular contract contemplated.

(2) The department may, in its sole discretion, grant an exemption from all prequalification requirements for any contract for:

(a) The construction, reconstruction, improvement, maintenance, or repair of roads, bridges, and their appurtenances if the estimate of the department for such work is two hundred fifty thousand dollars or less;

(b) The construction, reconstruction, improvement, maintenance, or repair of roads, bridges, and their appurtenances if such work is of an emergency nature;

(c) Turf maintenance or vegetation control, including mowing, weed spraying, weed maintenance, tree trimming, tree removal, and tree maintenance;

(d) Fence installation, repair, or maintenance;

(e) Ditch cleaning or erosion control;

(f) Culvert repair or maintenance, including relining, cleanout, and other structural repairs or maintenance;

(g) Any device for an intelligent transportation system, any other technological device, or the repair or maintenance of any such type of device;

(h) Repair or maintenance of any rest area or weigh station; or

(i) Any repair or maintenance relating to any road, bridge, or appurtenance of any road or bridge, if such repair or maintenance is of a routine nature.

Sec. 50. Section 39-1638, Reissue Revised Statutes of Nebraska, is amended to read:

39-1638 For purposes of the Rural Road Improvement District Act, unless the context otherwise requires:

(1) Board, board of county commissioners, or board of county supervisors means the governing body of the county;

(2) District means a rural road improvement district created under the Rural Road Improvement District Act;

(3) Improvement means the completed road, or roads, and all work incidental thereto; and

(4) Person includes any individual, corporation, partnership, and limited liability company.

Sec. 51. Section 39-1639, Reissue Revised Statutes of Nebraska, is amended to read:

39-1639 Any county may establish and construct new roads, change or extend existing roads, and improve such roads by grading, surfacing, draining, and incidental work by the board on its own initiative declaring the advisability or necessity for such establishment, construction, change, extension, or improvement in a proposed resolution at a meeting of the board. Such resolution shall state:

(1) The road or roads to be improved;

(2) If a new road is contemplated, the general location of the new road or changes in location of an existing road;

(3) The general description of the proposed improvement, and if the road is to be surfaced, the materials to be used for such improvement;

(4) A rough estimate of the total cost of the improvement, which may be made by the county surveyor or any engineer or competent person and need not be based on detailed plans and specifications;

(5) Proposed method of financing;

(6) The outer boundaries of the district; and

(7) Whether special assessments will be levied within such district or the cost of the improvement will be a general charge to the county.

Sec. 52. Section 39-1640, Reissue Revised Statutes of Nebraska, is amended to read:

39-1640 (1) When a petition is filed with the county clerk signed by persons owning not less than twenty-five percent of the area in the proposed district requesting the formation of a district, the board of the county in which the proposed district is located shall prepare and propose the resolution as provided in section 39-1639.

(2) Any such petition shall state the improvements desired and the property to be included in the district.

Sec. 53. Section 39-1641, Reissue Revised Statutes of Nebraska, is amended to read:

39-1641 (1) A resolution described in section 39-1639 shall not be adopted by the board during the same meeting at which such resolution was proposed.

(2) If special assessments are proposed to be levied in a district, the board shall set a time and place for a hearing on the proposed resolution and give notice of such hearing by publication in a newspaper of general circulation in the county on the same day each week during two successive weeks immediately prior to such hearing and posting such notice in three conspicuous places in the proposed district.

Sec. 54. Section 39-1642, Reissue Revised Statutes of Nebraska, is amended to read:

39-1642 (1) If special assessments are proposed to be levied in the proposed district, any person that owns real property in the proposed district may file a written objection to the formation of the district. Such written objection shall:

(a) Include any reason why such person objects to the formation of such district; and

(b) Be filed with the county clerk prior to the time set for the hearing pursuant to section 39-1641, if any.

(2) If written objections are filed by one or more persons that own more than a combined fifty percent in area of the real property in the proposed district, the resolution proposed under section 39-1639 shall not be passed and no hearing shall be held.

(3) At the hearing, all persons interested in the proposed improvement shall be given an opportunity to be heard on any matters affecting the formation of the district or the improvements to be made in such district.

(4) The hearing may be continued from time to time to give opportunity to ascertain all pertinent information.

(5) At or following such hearing, or at any subsequent meeting of the board if no hearing was required, the board may pass the resolution as proposed, amend the resolution and pass the amended resolution, or deny passage of the resolution. The amendments may, among other things, exclude any tracts included in the proposed resolution, include additional property in the district, or change the boundaries of the proposed district.

Sec. 55. Section 39-1643, Reissue Revised Statutes of Nebraska, is amended to read:

39-1643 (1) Upon passing the resolution described in section 39-1639 that creates a district in which special assessments will be levied, the board shall appoint an advisory committee of not less than three persons residing in the district to advise with the board on all matters affecting the road improvement in the district, financing the cost of the road improvement, and the levy of special assessments.

(2) The board may from time to time replace any person who resigns or refuses to act or appoint additional members to the advisory committee.

(3) The members of the committees shall receive no compensation for their services, but may be reimbursed for expenses incurred by them in performing their duties, with reimbursement for mileage to be computed at the rate provided in section 81-1176, and the amount of such reimbursement shall be included in the cost of the improvement.

Sec. 56. Section 39-1644, Reissue Revised Statutes of Nebraska, is amended to read:

39-1644 (1) The district when formed shall be known as Rural Road Improvement District No. of County.

(2) The district, when established, shall not include any lands located within a village or city.

(3) The board shall proceed as expeditiously as possible to make detailed plans for the improvement and improve the roads as generally outlined in the resolution, but may make such changes in the general plan of improvement found necessary to make the improvement more adequate. The improvement may include

culverts, bridges, and other drainage work in the county related to the roads, and the county may construct fences along the right-of-way or contract with the adjoining owners to move any existing fences or construct new fences.

(4) The county may:

(a) Obtain any property necessary for the improvement by gift, purchase, or eminent domain;

(b) Accept gifts or contributions to assist in the costs of the improvement;

(c) Contract with the state or federal government for assistance in making such improvement and defraying the cost of such improvement;

(d) Contract for the entire improvement or any part of such improvement; and

(e) Purchase the materials and do part of the work with its own equipment and employees.

(5) If the work is done by contract, bids shall be taken and the contract let in the same manner as letting other contracts for county work.

(6) The county may employ special engineers and special counsel to assist in the improvement, and their compensation shall be considered as a part of the cost of the improvement.

Sec. 57. Section 39-1645, Reissue Revised Statutes of Nebraska, is amended to read:

39-1645 (1) To pay the cost of the improvement as the work progresses, the county may:

(a) Issue bonds as provided in section 39-1648 and provide for such payment of costs from bond proceeds; or

(b) Issue progress warrants drawn against the rural road improvement fund for the total cost of materials purchased on receipt of the materials, for the right-of-way acquired, for engineering and legal expense, and for other incidental expenses, and for ninety-five percent of the cost of the work completed and materials necessarily purchased and delivered for the orderly and proper continuation of the project by the contractor as certified by the

engineer in charge.

(2) On completion of the contract and the acceptance of the improvement by the county, a warrant may be drawn for the balance due the contractor. The warrants shall draw interest at the rate set by the board.

(3) The county shall pay to the contractor interest, at the rate of eight percent per annum on the amounts due on partial and final payments, beginning forty-five days after the certification of the amounts due by the engineer in charge and approval by the board and running until the date that the warrant is tendered to the contractor.

Sec. 58. Section 39-1646, Reissue Revised Statutes of Nebraska, is amended to read:

39-1646 (1) A county that creates a district shall establish:

(a) A special fund for each district to be known as rural road improvement district No. fund; or

(b) A single rural road improvement fund for all districts in the county and from which any cost related to a road improvement for any such district shall be paid.

(2) Such county shall credit to the rural road improvement fund:

(a) Money transferred from the county's general fund;

(b) All money collected as special assessments;

(c) Special levies against the property in the district; and

(d) All money received from the sale of the bonds issued under section 39-1648.

(3) All expenses incurred in connection with the improvement and that are not paid out of the general fund of the county shall be paid from the rural road improvement fund for the district.

Sec. 59. Section 39-1647, Reissue Revised Statutes of Nebraska, is amended to read:

39-1647 (1) On completion and acceptance of the improvement in a district where special assessments may be levied, the engineer in charge of the improvement project shall make and file a statement with the county clerk. Such

statement shall include a description of the complete cost of the improvements, including interest accruing on the progress warrants.

(2) The board, with the assistance of the advisory committee and special counsel and engineer in charge of the improvement project, shall:

(a) Determine what part of the costs shall be specially assessed to the property in the district; and

(b) Prepare a proposed schedule of assessments against all properties in the district deemed specially benefited by the improvements.

(3) Any land in the district may be specially assessed for the amount it is specially benefited even though the property does not adjoin the road improved.

(4)(a) The board shall fix a time and place for a meeting when it will sit as a board of adjustment and equalization and give notice of such meeting by publication on the same day of each week for two consecutive weeks immediately prior to the meeting in a newspaper of general circulation in the county and by mailing a copy of the notice to each record owner of property proposed to be specially assessed.

(b) At the meeting the board shall equalize and levy the special assessments.

(5)(a) All special assessments provided for in this section shall be a lien on the property from date of levy and shall become due fifty days after date of levy and may be paid within that time without interest. Any special assessment that is not paid on or before its due date shall be charged interest on the amount of such special assessment that remains unpaid. No interest shall accrue prior to the due date for such special assessment. The rate of interest shall be established by the board, but shall not exceed the rate of interest specified in section 45-104.01, as such rate may from time to time be adjusted by the Legislature.

(b) Such assessments shall become delinquent in equal annual installments over a period of not to exceed twenty years as the board may determine at the time of making the levy. Delinquent installments shall bear interest at the

rate specified in section 45-104.01, as such rate may from time to time be adjusted by the Legislature, until paid and shall be collected in the usual manner for the collection of taxes.

Sec. 60. Section 39-1648, Reissue Revised Statutes of Nebraska, is amended to read:

39-1648 (1) The county may issue and sell bonds of the county in an amount sufficient to pay the costs of the improvements. Prior to the issuance and sale of such bonds, the county shall take into account the amounts collected or expected to be collected on special assessments and any money contributed to the district or otherwise available for the improvement.

(2) Bonds issued under this section shall:

(a) Mature in not to exceed twenty years from their date of issuance and bear interest payable annually or semiannually; and

(b) Constitute a general obligation of the county.

(3) All special assessments levied in the district and all contributions made to the district shall constitute a sinking fund for the payment of the bonds issued for such district.

(4) The county shall collect all special assessments and levy and collect annually a tax on all taxable property in the county sufficient in rate and amount to pay any deficiency on the amount required to pay both principal and interest on the bonds as such bonds become due. Prior to the levying of any such tax, the county shall take into account the amounts available for the payment of such bonds in the sinking fund for the district.

(5) The bonds and tax authorized under this section shall be in addition to all other bonds and taxes authorized by law and shall not be included in computing any statutory limitation on the amount of bonds or tax that may be issued or levied by the county.

Sec. 61. Section 39-1649, Reissue Revised Statutes of Nebraska, is amended to read:

39-1649 (1) When the road improvements have been completed and accepted, the roads shall constitute a part of the county road system and shall be

maintained by the county.

(2) The owners of more than fifty percent of the area in the district may petition the board for maintenance in excess of that given to other similar county roads. If such petition is made, the board may levy and collect annually a special levy of not to exceed three and five-tenths cents on each one hundred dollars on all taxable property in the district subject to section 77-3443.

(3) Money that is collected pursuant to a special levy under this section shall be credited to the rural road improvement district fund for such district and used only for the repair and maintenance of the roads in the district where such special levy was imposed.

Sec. 62. Section 39-1650, Reissue Revised Statutes of Nebraska, is amended to read:

39-1650 (1) Subsection (2) of this section applies:

(a) When it is deemed advisable to enlarge the boundaries of a district by the advisory committee for a district where special assessments have been or will be imposed; and

(b) If the conditions mentioned in section 39-1639 apply to such enlarged territory.

(2)(a) A petition for the enlargement of such district that is signed by persons that own not less than twenty-five percent of the territory proposed to be added to the district may be filed with the county clerk.

(b) If a petition is filed pursuant to subdivision (a) of this subsection, the board shall proceed as provided in sections 39-1640 to 39-1643, so far as applicable.

Sec. 63. Section 39-1651, Reissue Revised Statutes of Nebraska, is amended to read:

39-1651 (1) A petition to withdraw real property from a district may be filed:

(a) By persons that own not less than twenty-five percent of the territory in an area that is proposed to be withdrawn; and

(b) If special assessments have been or will be imposed in such district.

(2) A petition described in subsection (1) of this section shall be filed with the county clerk.

(3) If a petition is filed pursuant to this section, the board shall set a time and place for a hearing pursuant to sections 39-1641 and 39-1642. At the hearing the board may pass a resolution permitting the withdrawal of the proposed territory.

(4) Any area withdrawn from the district shall be subject to assessment and be otherwise chargeable for the payment and discharge of all the obligations outstanding at the time of filing the petition for withdrawal.

(5) An area withdrawn from a district shall not be subject to assessment or otherwise chargeable for any obligations of any nature or kind incurred after the time of filing the petition for withdrawal of the area from the district.

Sec. 64. Section 39-1652, Reissue Revised Statutes of Nebraska, is amended to read:

39-1652 (1) A petition to consolidate two or more districts in a county may be filed:

(a) By persons that own not less than twenty-five percent of the territory of each district in the proposed consolidation; and

(b) If special assessments have been or will be imposed in each district in the proposed consolidation.

(2) A petition described in subsection (1) of this section shall be filed with the county clerk.

(3) If a petition is filed pursuant to this section, the board shall set a time and place for a hearing pursuant to sections 39-1641 and 39-1642. At the hearing the board may pass a resolution consolidating the districts that are described in the petition.

Sec. 65. Section 39-1653, Reissue Revised Statutes of Nebraska, is amended to read:

39-1653 (1) A petition for dissolution of a district may be filed:

(a) By persons that own not less than twenty-five percent of the territory

of the district; and

(b) If special assessments have been or will be imposed in such district.

(2) A petition described in subsection (1) of this section shall be filed with the county clerk.

(3) If a petition is filed pursuant to this section, the board shall set a time and place for a hearing pursuant to sections 39-1641 and 39-1642. At the hearing the board may pass a resolution dissolving the district.

(4) If a district is dissolved pursuant to this section, the board shall perform all acts necessary to wind up the affairs of the district. All funds remaining after discharge of the district's indebtedness shall be deposited in the general fund of the county.

Sec. 66. Section 39-1655, Reissue Revised Statutes of Nebraska, is amended to read:

39-1655 Sections 39-1638 to 39-1655 shall be known and may be cited as the Rural Road Improvement District Act.

Sec. 67. Section 39-2801, Revised Statutes Cumulative Supplement, 2024, is amended to read:

39-2801 Sections 39-2801 to 39-2825 and section 70 of this act shall be known and may be cited as the Transportation Innovation Act.

Sec. 68. Section 39-2802, Revised Statutes Cumulative Supplement, 2024, is amended to read:

39-2802 For purposes of the Transportation Innovation Act:

(1) Alternative technical concept means changes suggested by a qualified, eligible, short-listed design-builder to a contracting agency's basic configurations, project scope, design, or construction criteria;

(2) Best value-based selection process means a process of selecting a design-builder using price, schedule, and qualifications for evaluation factors;

(3) Construction manager means the legal entity which proposes to enter into a construction manager-general contractor contract pursuant to the act;

(4) Construction manager-general contractor contract means a contract

which is subject to a qualification-based selection process between a contracting agency and a construction manager to furnish preconstruction services during the design development phase of the project and, if an agreement can be reached which is satisfactory to the contracting agency, construction services for the construction phase of the project;

(5) Construction services means activities associated with building the project;

(6) Contracting agency means the department or a political subdivision using the powers provided under the Transportation Innovation Act;

(7) Department means the Department of Transportation;

(8) Design-build contract means a contract between a contracting agency and a design-builder which is subject to a best value-based selection process to furnish (a) architectural, engineering, and related design services and (b) labor, materials, supplies, equipment, and construction services;

(9) Design-builder means the legal entity which proposes to enter into a design-build contract;

(10) Eligible county means (a) a county or (b) a joint entity created by agreement under section 13-804 if a county is a party to the agreement;

(11) Multimodal transportation network means the interconnected system of highways, roads, streets, rail lines, river ports, and transit systems which facilitates the movement of people and freight to enhance Nebraska's economy;

(12) Political subdivision means any city, village, or eligible county;

(13) Preconstruction services means all nonconstruction-related services that a construction manager performs in relation to the design of the project before execution of a contract for construction services. Preconstruction services includes, but is not limited to, cost estimating, value engineering studies, constructability reviews, delivery schedule assessments, and life-cycle analysis;

(14) Private partner means any entity that is a partner in a public-private partnership other than the State of Nebraska, any agency of the State of Nebraska, the federal government, any agency of the federal government, any

other state government, or any agency of any government at any level;

(15) Progressive design-build means a project-delivery process in which both the design and construction of a project are procured from a single entity that is selected through a qualification-based selection process at the earliest feasible stage of the project;

(16) Project performance criteria means the performance requirements of the project suitable to allow the design-builder to make a proposal. Performance requirements shall include, but are not limited to, the following, if required by the project: Capacity, durability, standards, ingress and egress requirements, description of the site, surveys, soil and environmental information concerning the site, material quality standards, design and milestone dates, site development requirements, compliance with applicable law, and other criteria for the intended use of the project;

(17) Proposal means an offer in response to a request for proposals (a) by a design-builder to enter into a design-build contract or (b) by a construction manager to enter into a construction manager-general contractor contract;

(18) Public-private partnership means a project delivery method for construction or financing of capital projects or procurement of services under a written public-private partnership agreement entered into pursuant to section 39-2825 between at least one private partner and a contracting agency;

(19) Qualification-based selection process means a process of selecting a construction manager or progressive design-builder based on qualifications;

(20) Request for proposals means the documentation by which a contracting agency solicits proposals; and

(21) Request for qualifications means the documentation or publication by which a contracting agency solicits qualifications.

Sec. 69. Section 39-2811, Revised Statutes Cumulative Supplement, 2024, is amended to read:

39-2811 The department shall adopt guidelines for entering into a design-build contract, a progressive design-build contract, or construction manager-general contractor contract. If a political subdivision intends to proceed with

a design-build contract, a progressive design-build contract, or a construction manager-general contractor contract, the political subdivision may adopt the guidelines published by the department. The department's guidelines shall include the following:

- (1) Preparation and content of requests for qualifications;
- (2) Preparation and content of requests for proposals;
- (3) Qualification and short-listing of design-builders, progressive design-builders, and construction managers. The guidelines shall provide that the contracting agency will evaluate prospective design-builders, progressive design-builders, and construction managers based on the information submitted to the contracting agency in response to a request for qualifications and will select a short list of design-builders, progressive design-builders, or construction managers who shall be considered qualified and eligible to respond to the request for proposals;
- (4) Preparation and submittal of proposals;
- (5) Procedures and standards for evaluating proposals;
- (6) Procedures for negotiations between the contracting agency and the design-builders, progressive design-builders, or construction managers submitting proposals prior to the acceptance of a proposal if any such negotiations are contemplated;
- (7) Procedures for the evaluation of construction under a design-build contract or a progressive design-build contract to determine adherence to the project performance criteria; and
- (8) Procedures for the receipt and evaluation of an unsolicited proposal pursuant to section 70 of this act.

Sec. 70. (1) The procedures used by the department when evaluating an unsolicited proposal shall include a requirement that, if the department determines that there is sufficient merit to pursue an unsolicited proposal, a reasonable opportunity shall be provided for other entities to submit competing proposals for consideration. The department may charge and retain an administrative fee of not more than five hundred dollars for:

(a) The initial evaluation and detailed review of an unsolicited project proposal; and

(b) The review of any competing proposal to the unsolicited proposal.

(2) The department may:

(a) Spend money appropriated to the department for the purpose of reviewing, developing, and implementing any unsolicited proposal; and

(b) Enter into any contract for a proposal deemed by the department to be in the best interest of the State of Nebraska.

(3) It is the intent of the Legislature that the department favor any creative or innovative unsolicited proposal that will provide a material benefit to the State of Nebraska beyond the traditional procurement and project delivery methods.

Sec. 71. Section 39-2814, Revised Statutes Cumulative Supplement, 2024, is amended to read:

39-2814 A contracting agency shall prepare a request for proposals for each design-build or progressive design-build contract. The request for proposals shall contain, at a minimum, the following elements:

(1) The guidelines adopted in accordance with section 39-2811. The identification of a publicly accessible location of the guidelines, either physical or electronic, shall be considered compliance with this subdivision;

(2) The proposed terms and conditions of the design-build or progressive design-build contract, including any terms and conditions which are subject to further negotiation;

(3) A project statement which contains information about the scope and nature of the project;

(4) If applicable, a statement regarding alternative technical concepts including the process and time period in which such concepts may be submitted, confidentiality of the concepts, and ownership of the rights to the intellectual property contained in such concepts;

(5) Project performance criteria;

(6) Budget parameters for the project;

(7) Any bonding and insurance required by law or as may be additionally required by the contracting agency;

(8) The criteria for evaluation of proposals and the relative weight of each criterion. For both design-build and progressive design-build contracts, the criteria shall include, but are not limited to, construction experience, design experience, and the financial, personnel, and equipment resources available for the project. For design-build contracts only, the criteria shall also include the cost of the work. The relative weight to apply to any criterion shall be at the discretion of the contracting agency based on each project, except that for all design-build contracts, the cost of the work shall be given a relative weight of at least fifty percent;

(9) A requirement that the design-builder or progressive design-builder provide a written statement of the design-builder's or progressive design-builder's proposed approach to the design and construction of the project, which may include graphic materials illustrating the proposed approach to design and construction;

(10) A requirement that the design-builder or progressive design-builder agree to the following conditions:

(a) At the time of the design-build or progressive design-build proposal, the design-builder or progressive design-builder must furnish to the contracting agency a written statement identifying the architect or engineer who will perform the architectural or engineering work for the project. The architect or engineer engaged by the design-builder or progressive design-builder to perform the architectural or engineering work with respect to the project must have direct supervision of such work and may not be removed by the design-builder or progressive design-builder prior to the completion of the project without the written consent of the contracting agency;

(b) At the time of the design-build or progressive design-build proposal, the design-builder or progressive design-builder must furnish to the contracting agency a written statement identifying the general contractor who will provide the labor, material, supplies, equipment, and construction

services. The general contractor identified by the design-builder or progressive design-builder may not be removed by the design-builder or progressive design-builder prior to completion of the project without the written consent of the contracting agency;

(c) A design-builder or progressive design-builder offering design-build or progressive design-build services with its own employees who are design professionals licensed to practice in Nebraska must (i) comply with the Engineers and Architects Regulation Act by procuring a certificate of authorization to practice architecture or engineering and (ii) submit proof of sufficient professional liability insurance in the amount required by the contracting agency; and

(d) The rendering of architectural or engineering services by a licensed architect or engineer employed by the design-builder or progressive design-builder must conform to the Engineers and Architects Regulation Act;

(11) The amount and terms of the stipend required pursuant to section 39-2815, if any; and

(12) Other information or requirements which the contracting agency, in its discretion, chooses to include in the request for proposals.

Sec. 72. Section 39-2824, Revised Statutes Cumulative Supplement, 2024, is amended to read:

39-2824 The department may adopt and promulgate rules and regulations to carry out the Transportation Innovation Act. A political subdivision may adopt a resolution or an ordinance establishing rules to carry out the act.

Sec. 73. Section 39-2825, Revised Statutes Cumulative Supplement, 2024, is amended to read:

39-2825 (1) A public-private partnership delivery method may be used for projects under the Transportation Innovation Act and other transportation projects deemed appropriate at the discretion of the Director-State Engineer in the case of the department, or the governing body of any other contracting agency, as provided in this section and rules and regulations adopted and promulgated pursuant to this section only to the extent allowed under the

Constitution of Nebraska. State contracts using this method shall be awarded by competitive negotiation. The department shall not use or accept an unsolicited proposal that includes minor maintenance, restoration, rehabilitation, or resurfacing of bridges or highways.

(2) A contracting agency utilizing a public-private partnership shall continue to be responsible for oversight of any function that is delegated to or otherwise performed by a private partner.

(3) The Director-State Engineer shall adopt and promulgate rules and regulations setting forth criteria to be used in determining when a public-private partnership is to be used for a particular project. The rules and regulations shall reflect the intent of the Legislature to promote and encourage the use of public-private partnerships in the State of Nebraska. The Director-State Engineer shall consult with design-builders, progressive design-builders, construction managers, other contractors and design professionals, including engineers and architects, and other appropriate professionals during the development of the rules and regulations.

(4) A request for proposals for a project utilizing a public-private partnership or an unsolicited proposal from any private partner that is outside of a request for proposal process shall include at a minimum:

- (a) The parameters of the proposed public-private partnership agreement;
- (b) The duties and responsibilities to be performed by the private partner or private partners;
- (c) The methods of oversight to be employed by the contracting agency;
- (d) The duties and responsibilities that are to be performed by the contracting agency and any other parties to the contract;
- (e) The evaluation factors and the relative weight of each factor to be used in the scoring of awards;
- (f) How the private partner plans to finance and operate the project and the project or operating revenue, service or availability payments, bond financings, and public funds that are anticipated to be needed in the future for the qualifying project, subject to appropriation by the Legislature;

(g) The private partner's proposal for the availability and performance standards that would be used to determine qualification for receiving availability payments from the contracting agency;

(h) Comprehensive documentation of the experience, capabilities, capitalization and financial condition, and other relevant qualifications of the private entity submitting the proposal;

(i) The ability of a private partner or private partners to quickly respond to the needs presented in the request for proposals and the importance of economic development opportunities represented by the project. In evaluating proposals, preference shall be given to a plan that includes the involvement of small businesses as subcontractors, to the extent that small businesses can provide services in a competitive manner, unless any preference interferes with the qualification for federal or other funds; and

(j) Other information required by the contracting agency to evaluate the proposals submitted and the overall proposed public-private partnership.

(5) A private entity desiring to be a private partner shall demonstrate to the satisfaction of the contracting agency that it is capable of performing any duty, responsibility, or function it may be authorized or directed to perform as a term or condition of the public-private partnership agreement.

(6) A request for proposals may be canceled, or all proposals may be rejected, if it is determined in writing that such action is taken in the best interest of the State of Nebraska and approved by the purchasing officer.

(7) Upon execution of a public-private partnership agreement, the contracting agency shall ensure that the contract clearly identifies that a public-private partnership is being utilized.

(8) The department shall:

(a) Adhere to the rules and regulations adopted and promulgated under this section when utilizing a public-private partnership for financing capital projects; and

(b) Electronically report annually to the Appropriations Committee of the Legislature and the Transportation and Telecommunications Committee of the

Legislature regarding private-public partnerships which have been considered or are approved pursuant to this section.

Sec. 74. Section 60-462, Revised Statutes Cumulative Supplement, 2024, is amended to read:

60-462 Sections 60-462 to 60-4,189 and section 76 of this act shall be known and may be cited as the Motor Vehicle Operator's License Act.

Sec. 75. Section 60-4,131, Revised Statutes Supplement, 2025, is amended to read:

60-4,131 (1) Sections 60-462.01 and 60-4,132 to 60-4,172 and section 76 of this act shall apply to the operation of any commercial motor vehicle.

(2) For purposes of such sections:

(a) Disqualification means:

(i) The suspension, revocation, cancellation, or any other withdrawal by a state of a person's privilege to operate a commercial motor vehicle;

(ii) A determination by the Federal Motor Carrier Safety Administration, under the rules of practice for motor carrier safety contained in 49 C.F.R. part 386, that a person is no longer qualified to operate a commercial motor vehicle under 49 C.F.R. part 391; or

(iii) The loss of qualification which automatically follows conviction of an offense listed in 49 C.F.R. 383.51;

(b) Downgrade means the state:

(i) Allows the driver of a commercial motor vehicle to change his or her self-certification to interstate, but operating exclusively in transportation or operation excepted from 49 C.F.R. part 391, as provided in 49 C.F.R. 390.3(f), 391.2, 391.68, or 398.3;

(ii) Allows the driver of a commercial motor vehicle to change his or her self-certification to intrastate only, if the driver qualifies under a state's physical qualification requirements for intrastate only;

(iii) Allows the driver of a commercial motor vehicle to change his or her certification to intrastate, but operating exclusively in transportation or operations excepted from all or part of a state driver qualification

requirement; or

(iv) Removes the commercial driver's license privilege from the operator's license;

(c) Employee means any operator of a commercial motor vehicle, including full-time, regularly employed drivers; casual, intermittent, or occasional drivers; and leased drivers and independent, owner-operator contractors, while in the course of operating a commercial motor vehicle, who are either directly employed by or under lease to an employer;

(d) Employer means any person, including the United States, a state, the District of Columbia, or a political subdivision of a state, that owns or leases a commercial motor vehicle or assigns employees to operate a commercial motor vehicle;

(e) Endorsement means an authorization to an individual's CLP-commercial learner's permit or commercial driver's license required to permit the individual to operate certain types of commercial motor vehicles;

(f) Foreign means outside the fifty United States and the District of Columbia;

(g) Imminent hazard means the existence of a condition relating to hazardous material that presents a substantial likelihood that death, serious illness, severe personal injury, or a substantial endangerment to health, property, or the environment may occur before the reasonably foreseeable completion date of a formal proceeding begun to lessen the risk of that death, illness, injury, or endangerment;

(h) Issue and issuance means initial issuance, transfer, renewal, or upgrade of a commercial driver's license or nondomiciled commercial driver's license, or issuance, transfer, or upgrade of a CLP-commercial learner's permit or nondomiciled CLP-commercial learner's permit, as described in 49 C.F.R. 383.73;

(i) Medical examiner means an individual certified by the Federal Motor Carrier Safety Administration and listed on the National Registry of Certified Medical Examiners in accordance with 49 C.F.R. part 390, subpart D;

(j) Medical examiner's certificate means any paper certification or electronic certification that meets the requirements of 49 C.F.R. 391.43 issued by a medical examiner in compliance with such regulation;

(k) Medical variance means the Federal Motor Carrier Safety Administration has provided a driver with either an exemption letter permitting operation of a commercial motor vehicle pursuant to 49 C.F.R. 381, subpart C, or 49 C.F.R. 391.64 or a Skill Performance Evaluation Certificate permitting operation of a commercial motor vehicle pursuant to 49 C.F.R. 391.49;

(l) Nondomiciled CLP-commercial learner's permit or nondomiciled commercial driver's license means a CLP-commercial learner's permit or commercial driver's license, respectively, issued by this state or other jurisdiction under either of the following two conditions:

(i) To an individual domiciled in a foreign country meeting the requirements of 49 C.F.R. 383.23(b)(1); or

(ii) To an individual domiciled in another state meeting the requirements of 49 C.F.R. 383.23(b)(2);

(m) Representative vehicle means a motor vehicle which represents the type of motor vehicle that a driver applicant operates or expects to operate;

(n) State means a state of the United States and the District of Columbia;

(o) State of domicile means that state where a person has his or her true, fixed, and permanent home and principal residence and to which he or she has the intention of returning whenever he or she is absent;

(p) Tank vehicle means any commercial motor vehicle that is designed to transport any liquid or gaseous materials within a tank or tanks that have an individual rated capacity of more than one hundred nineteen gallons and an aggregate rated capacity of one thousand gallons or more and that are either permanently or temporarily attached to the vehicle or the chassis. A commercial motor vehicle transporting an empty storage container tank, not designed for transportation, with a rated capacity of one thousand gallons or more that is temporarily attached to a flatbed trailer is not considered a tank vehicle;

(q) Third-party skills test examiner means a person employed by a third-

party tester who is authorized by this state to administer the commercial driver's license skills tests specified in 49 C.F.R. part 383, subparts G and H;

(r) Third-party tester means a person, including, but not limited to, another state, a motor carrier, a private driver training facility or other private institution, or a department, agency, or instrumentality of a local government, authorized by this state to employ skills test examiners to administer the commercial driver's license skills tests specified in 49 C.F.R. part 383, subparts G and H;

(s) United States means the fifty states and the District of Columbia; and

(t) Vehicle group means a class or type of vehicle with certain operating characteristics.

Sec. 76. (1) For purposes of this section, commercial motor vehicle driver training means any training course or educational program that is offered in this state for the purpose of teaching or training any person how to operate a commercial motor vehicle.

(2) The curriculum for any commercial motor vehicle driver training that begins on or after January 1, 2027, shall include a minimum of thirty minutes of human trafficking training as prescribed by the Attorney General.

(3)(a) No later than December 1, 2026, the Attorney General shall prescribe the curriculum and training materials for the human trafficking training that is required under subsection (2) of this section.

(b) The Attorney General shall review and update such curriculum and training materials at least once every three years to account for changes and trends in human trafficking.

(4) The Attorney General may collaborate with any organization that specializes in and offers training materials about the recognition, prevention, and reporting of human trafficking for commercial motor vehicle drivers.

(5) The Attorney General may adopt and promulgate rules and regulations to carry out this section.

Sec. 77. Section 60-507, Reissue Revised Statutes of Nebraska, is amended

to read:

60-507 (1)(a) Within ninety days after the receipt by the Department of Transportation of a report of a motor vehicle accident within this state which has resulted in bodily injury or death, or damage to the property of any one person, including such operator, to an apparent extent of two thousand dollars or more, the Department of Motor Vehicles shall suspend (i) the license of each operator of a motor vehicle in any manner involved in such accident and (ii) the privilege, if such operator is a nonresident, of operating a motor vehicle within this state, unless such operator deposits security in a sum which shall be sufficient, in the judgment of the Department of Motor Vehicles, to satisfy any judgment or judgments for damages resulting from such accident which may be recovered against such operator and unless such operator gives proof of financial responsibility. Notice of such suspension shall be sent by the Department of Motor Vehicles by regular United States mail to such operator not less than twenty days prior to the effective date of such suspension at his or her last-known mailing address as shown by the records of the department and shall state the amount required as security and the requirement of proof of financial responsibility.

(b) In the event a person involved in a motor vehicle accident within this state fails to make a report to the Department of Motor Vehicles indicating the extent of his or her injuries or the damage to his or her property within thirty days after the accident, and the department does not have sufficient information on which to base an evaluation of such injury or damage, the department, after reasonable notice to such person, may not require any deposit of security for the benefit or protection of such person.

(c) If the operator fails to respond to the notice on or before twenty days after the date of the notice, the director shall summarily suspend the operator's license or privilege and issue an order of suspension.

(2) The order of suspension provided for in subsection (1) of this section shall not be entered by the Department of Motor Vehicles if the department determines that in its judgment there is no reasonable possibility of a

judgment being rendered against such operator.

(3) In determining whether there is a reasonable possibility of judgment being rendered against such operator, the department shall consider all reports and information filed in connection with the accident.

(4) The order of suspension provided for in subsection (1) of this section shall advise the operator that he or she has a right to appeal the order of suspension in accordance with section 60-503.

(5) The order of suspension provided for in subsection (1) of this section shall be sent by regular United States mail to the operator's last-known mailing address as shown by the records of the department.

Sec. 78. Section 60-513, Reissue Revised Statutes of Nebraska, is amended to read:

60-513 The security required by the Motor Vehicle Safety Responsibility Act shall be in such form and in such amount as the department may require but in no case less than two thousand dollars nor in excess of the limits specified in section 60-509. The person depositing security shall specify in writing the person or persons on whose behalf the deposit is made and, at any time while such deposit is in the custody of the department or State Treasurer, the person depositing it may, in writing, amend the specification of the person or persons on whose behalf the deposit is made to include an additional person or persons, except that a single deposit of security shall be applicable only on behalf of persons required to furnish security because of the same accident. The department may increase or reduce the amount of security ordered in any case at any time after the date of the accident if, in the judgment of the director, the amount ordered is inadequate or excessive. In case the security originally ordered has been deposited, the excess deposited over the reduced amount ordered shall be returned to the depositor or his or her personal representative immediately, notwithstanding section 60-514. If any additional security ordered is not deposited within ten days, the department shall proceed under section 60-507.

Sec. 79. Section 60-601, Revised Statutes Supplement, 2025, is amended to

read:

60-601 Sections 60-601 to 60-6,383 and section 81 of this act shall be known and may be cited as the Nebraska Rules of the Road.

Sec. 80. Section 60-605, Revised Statutes Supplement, 2025, is amended to read:

60-605 For purposes of the Nebraska Rules of the Road, the definitions found in sections 60-606 to 60-676.01 and section 81 of this act shall be used.

Sec. 81. Superload means a vehicle, or vehicle combination that is transporting a nondivisible load, that is in excess of:

- (1) Sixteen feet in width;
- (2) One hundred ninety-one inches in height;
- (3) One hundred fifty feet in length; or
- (4) One hundred sixty thousand pounds in gross weight.

Sec. 82. Section 60-695, Reissue Revised Statutes of Nebraska, is amended to read:

60-695 Any peace officer who investigates any traffic accident in the performance of his or her official duties shall, in all instances of an accident resulting in injury or death to any person or in which estimated damage equals or exceeds two thousand dollars to the property of any one person, submit an original report of such investigation to the Department of Transportation within ten days after each such accident. The department shall have authority to collect accident information it deems necessary and shall prescribe and furnish appropriate forms for reporting.

Sec. 83. Section 60-699, Revised Statutes Cumulative Supplement, 2024, is amended to read:

60-699 (1) The operator of any vehicle involved in an accident resulting in injuries or death to any person or damage to the property of any one person, including such operator, to an apparent extent that equals or exceeds two thousand dollars shall within ten days forward a report of such accident to the Department of Transportation. Such report shall not be required if the accident is investigated by a peace officer. If the operator is physically incapable of

making the report, the owner of the motor vehicle involved in the accident shall, within ten days from the time he or she learns of the accident, report the matter in writing to the Department of Transportation. The Department of Transportation or Department of Motor Vehicles may require operators involved in accidents to file supplemental reports of accidents upon forms furnished by it whenever the original report is insufficient in the opinion of either department. The operator or the owner of the motor vehicle shall make such other and additional reports relating to the accident as either department requires. Such records shall be retained for the period of time specified by the State Records Administrator pursuant to the Records Management Act.

(2) The report of accident required by this section shall be in two parts. Part I shall be in such form as the Department of Transportation may prescribe and shall disclose full information concerning the accident. Part II shall be in such form as the Department of Motor Vehicles may prescribe and shall disclose sufficient information to disclose whether or not the financial responsibility requirements of the Motor Vehicle Safety Responsibility Act are met through the carrying of liability insurance.

(3) Upon receipt of a report of accident, the Department of Transportation shall determine the reportability and classification of the accident and enter all information into a computerized database. Upon completion, the Department of Transportation shall electronically send Part II of the report to the Department of Motor Vehicles for purposes of section 60-506.01.

(4) Such reports shall be without prejudice. Except as provided in section 84-712.05, a report regarding an accident made by a peace officer, made to or filed with a peace officer in the peace officer's office or department, or filed with or made by or to any other law enforcement agency of the state shall be open to public inspection, but an accident report filed by the operator or owner of a motor vehicle pursuant to this section shall not be open to public inspection. Age information of an operator or owner included in any report required under this section shall not be confidential, and such age information may be separately disclosed under section 84-712.01. Nothing in this section

prohibits a peace officer or a law enforcement agency from disclosing the age of an operator or owner included in any report required under this section. The fact that a report by an operator or owner has been so made shall be admissible in evidence solely to prove compliance with this section, but no such report or any part of or statement contained in the report shall be admissible in evidence for any other purpose in any trial, civil or criminal, arising out of such accidents nor shall the report be referred to in any way or be any evidence of the negligence or due care of either party at the trial of any action at law to recover damages.

(5) The failure by any person to report an accident as provided in this section or to correctly give the information required in connection with the report shall be a Class V misdemeanor.

Sec. 84. Section 60-6,123, Revised Statutes Cumulative Supplement, 2024, is amended to read:

60-6,123 Whenever traffic is controlled by traffic control signals exhibiting different colored lights or colored lighted arrows, successively one at a time or in combination, only the colors green, red, and yellow shall be used, except for special pedestrian signals carrying a word legend, number, or symbol, and such lights shall indicate and apply to drivers of vehicles, pedestrians, and operators of bicycles as follows:

(1)(a) Vehicular traffic facing a circular green indication may proceed straight through or turn right or left unless a sign at such place prohibits either such turn, but vehicular traffic, including vehicles turning right or left, shall yield the right-of-way to other vehicles and to pedestrians lawfully within the intersection or an adjacent crosswalk at the time such indication is exhibited;

(b) Vehicular traffic facing a green arrow indication, shown alone or in combination with another indication, may cautiously enter the intersection only to make the movement indicated by such arrow or such other movement as is permitted by other indications shown at the same time, and such vehicular traffic shall yield the right-of-way to pedestrians lawfully within an adjacent

crosswalk and to other traffic lawfully using the intersection; and

(c) Unless otherwise directed by a pedestrian-control signal, pedestrians facing any green indication, except when the sole green indication is a turn arrow, may proceed across the roadway within any marked or unmarked crosswalk;

(2)(a) Vehicular traffic facing a steady yellow indication is thereby warned that the related green movement is being terminated or that a red indication will be exhibited immediately thereafter when vehicular traffic shall not enter the intersection, and upon display of a steady yellow indication, vehicular traffic shall stop before entering the nearest crosswalk at the intersection, but if such stop cannot be made in safety, a vehicle may be driven cautiously through the intersection;

(b) Vehicular traffic facing a flashing yellow arrow indication may cautiously enter the intersection only to make the movement indicated by such arrow, and such vehicular traffic shall yield the right-of-way to pedestrians lawfully within an adjacent crosswalk and to other traffic lawfully using the intersection; and

(c) Pedestrians facing a steady yellow indication, unless otherwise directed by a pedestrian-control signal, are thereby advised that there is insufficient time to cross the roadway before a red indication is shown and no pedestrian shall then start to cross the roadway;

(3)(a) Vehicular traffic facing a steady circular red indication alone shall stop at a clearly marked stop line or shall stop, if there is no such line, before entering the crosswalk on the near side of the intersection or, if there is no crosswalk, before entering the intersection. The traffic shall remain standing until an indication to proceed is shown except as provided in subdivisions (3)(b) and (3)(c) of this section;

(b) Except where a traffic control device is in place prohibiting a turn, vehicular traffic facing a steady circular red indication may cautiously enter the intersection to make a right turn after stopping as required by subdivision (3)(a) of this section. Such vehicular traffic shall yield the right-of-way to pedestrians lawfully within an adjacent crosswalk and to other traffic lawfully

using the intersection;

(c) Except where a traffic control device is in place prohibiting a turn, vehicular traffic facing a steady circular red indication at the intersection of two one-way streets may cautiously enter the intersection to make a left turn after stopping as required by subdivision (3)(a) of this section. Such vehicular traffic shall yield the right-of-way to pedestrians lawfully within an adjacent crosswalk and to other traffic lawfully using the intersection;

(d) Vehicular traffic facing a steady red arrow indication alone shall stop at a clearly marked stop line or shall stop, if there is no such line, before entering the crosswalk on the near side of the intersection or, if there is no crosswalk, before entering the intersection. The traffic shall not enter the intersection to make the movement indicated by the arrow and shall remain standing until an indication to proceed is shown; and

(e) Unless otherwise directed by a pedestrian-control signal, pedestrians facing a steady red indication alone shall not enter the roadway;

(4) If a traffic control signal is erected and maintained at a place other than an intersection, the provisions of this section shall be applicable except as to those provisions which by their nature can have no application. Any stop required shall be made at a sign or marking on the pavement indicating where the stop shall be made, but in the absence of any such sign or marking, the stop shall be made at the signal;

(5)(a) If a traffic control signal at an intersection is not operating because of a power failure or other cause and no peace officer, flagperson, or other traffic control device is providing direction for traffic at the intersection, the intersection shall be treated as a multi-way stop; and

(b) If a traffic control signal is not in service and the signal heads are turned away from traffic or covered with opaque material, subdivision (a) of this subdivision shall not apply; and

(6)(a) Bicycle traffic facing a steady green bicycle indication may proceed straight through or turn right or left unless a sign at such place prohibits either such turn, but bicycle traffic, including bicycles turning

right or left, shall yield the right-of-way to other bicycles and to pedestrians lawfully within the intersection or an adjacent crosswalk at the time such indication is exhibited;

(b) Bicycle traffic facing a steady yellow bicycle indication is thereby warned that the related green movement is being terminated or that a red indication will be exhibited immediately thereafter when bicycle traffic shall not enter the intersection. Upon display of a steady yellow bicycle indication, bicycle traffic shall stop before entering the nearest crosswalk at the intersection, but if such stop cannot be made in safety, a bicycle may be driven cautiously through the intersection;

(c) Bicycle traffic facing a steady red bicycle indication alone shall stop at a clearly marked stop line or shall stop, if there is no such line, before entering the crosswalk on the near side of the intersection or, if there is no crosswalk, before entering the intersection. The traffic shall remain standing until an indication to proceed is shown except as provided in subdivisions (6)(d) and (6)(e) of this section;

(d) Except where a traffic control device is in place prohibiting a turn, bicycle traffic facing a steady red bicycle indication may cautiously enter the intersection to make a right turn after stopping as required by subdivision (6)(c) of this section. Such bicycle traffic shall yield the right-of-way to pedestrians lawfully within an adjacent crosswalk and to other traffic lawfully using the intersection; and

(e) Except where a traffic control device is in place prohibiting a turn, bicycle traffic facing a steady red bicycle indication at the intersection of two one-way streets may cautiously enter the intersection to make a left turn after stopping as required by subdivision (6)(c) of this section. Such bicycle traffic shall yield the right-of-way to pedestrians lawfully within an adjacent crosswalk and to other traffic lawfully using the intersection.

Sec. 85. Section 60-6,298, Revised Statutes Supplement, 2025, is amended to read:

60-6,298 (1)(a) Except as provided in subdivision (b) of this subsection,

the Department of Transportation or the Nebraska State Patrol, with respect to highways under its jurisdiction including the National System of Interstate and Defense Highways, and local authorities, with respect to highways under their jurisdiction, may in their discretion upon application and good cause being shown therefor issue a special, continuing, or continuous permit in writing authorizing the applicant or his or her designee:

(i) To operate or move a vehicle, a combination of vehicles, or objects of a size or weight of vehicle or load exceeding the maximum specified by law when such permit is necessary:

(A) To further the national defense or the general welfare;

(B) To permit movement of cost-saving equipment to be used in highway or other public construction or in agricultural land treatment; or

(C) Because of an emergency, an unusual circumstance, or a very special situation;

(ii) To operate vehicles, for a distance up to one hundred twenty miles, loaded up to fifteen percent greater than the maximum weight specified by law, or up to ten percent greater than the maximum length specified by law, or both, except that any combination with two or more cargo-carrying units, not including the truck-tractor, also known as a longer combination vehicle, may only operate for a distance up to seventy miles loaded up to fifteen percent greater than the maximum weight specified by law, or up to ten percent greater than the maximum length specified by law, or both, when carrying grain or other seasonally harvested products from the field where such grain or products are harvested to storage, market, or stockpile in the field or from stockpile or farm storage to market or factory when failure to move such grain or products in abundant quantities would cause an economic loss to the person or persons whose grain or products are being transported or when failure to move such grain or products in as large quantities as possible would not be in the best interests of the national defense or general welfare. The distance limitation may be waived for vehicles when carrying dry beans or dry peas and lentils from the field where harvested to storage or market when dry beans or dry peas and

lentils are not normally stored, purchased, or used within the permittee's local area and must be transported more than one hundred twenty miles to an available marketing or storage destination. No permit shall authorize a weight greater than twenty thousand pounds on any single axle;

(iii) To transport an implement of husbandry which does not exceed twelve and one-half feet in width during daylight hours, except that the permit shall not allow transport on holidays;

(iv) To operate one or more recreational vehicles, as defined in section 71-4603, exceeding the maximum width specified by law if movement of the recreational vehicles is prior to retail sale and the recreational vehicles comply with subdivision (2)(k) of section 60-6,288;

(v) To operate an emergency vehicle for purposes of sale, demonstration, exhibit, or delivery, if the applicant or his or her designee is a manufacturer or sales agent of the emergency vehicle. No permit shall be issued for an emergency vehicle which weighs over sixty thousand pounds on the tandem axle;

(vi) To transport during daylight hours divisible loads of livestock forage in bale form which do not exceed twelve feet in width, except that the permit shall not allow transport on holidays; or

(vii) To operate overweight raw-milk vehicles carrying raw milk from a dairy farm to a processing facility for such raw milk in accordance with section 60-6,294.02.

(b) No permit shall be issued under subdivision (a)(i) of this subsection:

(i) For a vehicle carrying a load unless such vehicle is loaded with an object which exceeds the size or weight limitations, which cannot be dismantled or reduced in size or weight without great difficulty, and which of necessity must be moved over the highways to reach its intended destination; or

(ii) By the Department of Transportation or the Nebraska State Patrol for the operation of a vehicle, a combination of vehicles, or an object on any highway:

(A) That is not a part of the state highway system; or

(B) That is a county road or city street.

(c) No permit shall be required for the temporary movement on highways other than dustless-surfaced state highways and for necessary access to points on such highways during daylight hours of cost-saving equipment to be used in highway or other public construction or in agricultural land treatment when such temporary movement is necessary and for a reasonable distance.

(2) The application for any such permit shall specifically describe the vehicle, the load to be operated or moved, whenever possible the particular highways for which permit to operate is requested, and whether such permit is requested for a single trip or for continuous or continuing operation. The permit shall include a signed affirmation under oath that, for any load sixteen feet high or higher, the applicant has contacted any and all electric utilities that have high voltage conductors and infrastructure that cross over the roadway affected by the move and made arrangements with such electric utilities for the safe movement of the load under any high voltage conductors owned by such electric utilities.

(3) The department or local authority is authorized to issue or withhold such permit at its discretion or, if such permit is issued, to limit the number of days during which the permit is valid, to limit the number of trips, to establish seasonal or other time limitations within which the vehicles described may be operated on the highways indicated, or to issue a continuous or continuing permit for use on all highways, including the National System of Interstate and Defense Highways. The permits are subject to reasonable conditions as to periodic renewal of such permit and as to operation or movement of such vehicles. The department or local authority may otherwise limit or prescribe conditions of operation of such vehicle or vehicles, when necessary to assure against undue damage to the road foundations, surfaces, or structures or undue danger to the public safety. The department or local authority may require such undertaking or other security as may be deemed necessary to compensate for any injury to any roadway or road structure.

(4) Every such permit shall be carried in the vehicle to which it refers and shall be open to inspection by any peace officer, carrier enforcement

officer, or authorized agent of any authority granting such permit. Each such permit shall state the maximum weight permissible on a single axle or combination of axles and the total gross weight allowed. No person shall violate any of the terms or conditions of such special permit. In case of any violation, the permit shall be deemed automatically revoked and the penalty of the original limitations shall be applied unless:

(a) The violation consists solely of exceeding the size or weight specified by the permit, in which case only the penalty of the original size or weight limitation exceeded shall be applied;

(b) The total gross load is within the maximum authorized by the permit, no axle is more than ten percent in excess of the maximum load for such axle or group of axles authorized by the permit, and such load can be shifted to meet the weight limitations of wheel and axle loads authorized by such permit. Such shift may be made without penalty if it is made at the state or commercial scale designated in the permit. The vehicle may travel from its point of origin to such designated scale without penalty, and a scale ticket from such scale, showing the vehicle to be properly loaded and within the gross and axle weights authorized by the permit, shall be reasonable evidence of compliance with the terms of the permit; or

(c) Such permit is an overweight raw-milk vehicle permit and the overweight raw-milk vehicle violated subsection (3) of section 60-6,294.02.

(5) The department or local authority issuing a permit as provided in this section may adopt and promulgate rules and regulations with respect to the issuance of permits provided for in this section.

(6) The department shall make available applications for permits authorized pursuant to subdivisions (1)(a)(ii) and (1)(a)(iii) of this section in the office of each county treasurer. The department may make available applications for all other permits authorized by this section to the office of the county treasurer and may make available applications for all permits authorized by this section to any other location chosen by the department.

(7) The department or local authority issuing a permit may require a

permit fee of not to exceed fifty dollars, except that:

(a) The fee for a continuous or continuing permit shall not exceed fifty dollars for a ninety-day period, one hundred dollars for a one-hundred-eighty-day period, or two hundred dollars for a one-year period;

(b) The fee for permits issued pursuant to subdivision (1)(a)(ii) of this section shall not exceed fifty dollars. Permits issued pursuant to such subdivision shall be valid for thirty days and shall be renewable four times for a total number of days not to exceed one hundred fifty days per calendar year; and

(c)(i) The fee for a single trip permit for a superload shall not exceed:

(A) Two hundred fifty dollars for a superload that weighs three hundred thousand pounds or less;

(B) Four hundred dollars for a superload that weighs more than three hundred thousand pounds, but not more than five hundred thousand pounds; and

(C) Eight hundred dollars for a superload that weighs more than five hundred thousand pounds.

(ii) In addition to the permit fee that may be required under subdivision (c)(i) of this subsection, the department may charge a fee equal to the direct costs incurred by the department for issuing the permit. Such direct costs may include compensation for the time spent by department personnel in issuing the permit, and any third-party expense related to the issuance of the permit.

(8) A vehicle or combination of vehicles for which an application for a permit is requested pursuant to this section shall be registered under section 60-3,147 or 60-3,198 for the maximum gross vehicle weight that is permitted pursuant to section 60-6,294 before a permit shall be issued.

Sec. 86. Section 60-6,299, Reissue Revised Statutes of Nebraska, is amended to read:

60-6,299 (1) The Department of Transportation may issue permits for vehicles moving a building or objects requiring specialized moving dollies. Such permits shall allow the vehicles transporting buildings or objects requiring specialized dollies to operate on highways under the jurisdiction of

the department, excluding any portion of the National System of Interstate and Defense Highways. Such permit shall specify the maximum allowable width, length, height, and weight of the building to be transported, the route to be used, and the hours during which such building or object may be transported. Such permit shall clearly state that the applicant is not authorized to manipulate overhead high voltage lines or conductors or other such components, including electric utility poles, and that the applicant shall be guilty of a Class II misdemeanor for any violation of this section or of the notification requirements of section 60-6,288.01. Any vehicle moving a building or object requiring specialized moving dollies shall be escorted by another vehicle or vehicles in the manner determined by the department. Such vehicles shall travel at a speed which is not in excess of five miles per hour when carrying loads which are in excess of the maximum gross weight specified by law by more than twenty-five percent. The permit shall not be issued for travel on a state highway containing a bridge or structure which is structurally inadequate to carry such building or object as determined by the department. The department may prescribe conditions of operation of such vehicle when necessary to assure against damage to the road foundations, surfaces, or structures and require such security as may be deemed necessary to compensate for any injury to any roadway or road structure.

(2) The application for any such permit shall (a) specifically describe the vehicle, (b) specifically describe the load to be moved, (c) include a signed affirmation under oath that, for any load sixteen feet high or higher, the applicant has contacted any and all electric utilities that have high voltage conductors and infrastructure that cross over the roadway affected by the move and made arrangements with such electric utilities for the safe movement of the load under any high voltage conductors owned by such electric utilities, and (d) whenever possible, describe the particular highways for which the permit is requested. The company or individual shall maintain a copy of the permit in each vehicle moving a building or object requiring specialized moving dollies which shall be open to inspection by any peace officer, carrier

enforcement officer, or authorized agent of any authority granting such permit. The fee for such permit shall not exceed fifty dollars.

(3) The department shall adopt and promulgate rules and regulations governing the issuance of the permits. Such rules and regulations shall include, but not be limited to, driver qualifications, equipment selection, hours of operation, weather conditions, road conditions, determination of any damage caused to highways or bridges, cutting or trimming of trees, removal or relocation of signs or other property of the state, raising or lowering of electric supply and communication lines, and such other safety considerations as the department deems necessary.

(4) Any person who violates the terms of a permit issued pursuant to this section or otherwise violates this section shall be guilty of a Class II misdemeanor.

Sec. 87. Section 75-118, Revised Statutes Cumulative Supplement, 2024, is amended to read:

75-118 The commission shall:

(1) Fix all necessary rates, charges, and regulations governing and regulating the transportation of passengers by any common carrier in Nebraska intrastate commerce;

(2) Authorize the transportation of (a) household goods under a license issued pursuant to section 75-304.03 or (b) employees of a railroad carrier under a license issued pursuant to section 75-304.04;

(3) Prevent and correct the unjust discriminations set forth in section 75-126;

(4) Enforce all statutes and commission regulations pertaining to rates and, if necessary, institute actions in the appropriate court of any county in which the common carrier involved operates except actions instituted pursuant to sections 75-140 and 75-156 to 75-158. All suits shall be brought and penalties recovered in the name of the state by or under the direction of the Attorney General;

(5) Enforce the Major Oil Pipeline Siting Act and the State Natural Gas

Regulation Act; and

(6) Issue licenses that authorize intrastate medicaid nonemergency medical transportation services pursuant to section 75-311.

Sec. 88. Section 75-126, Revised Statutes Supplement, 2025, is amended to read:

75-126 (1) Except as otherwise provided in this section, no common carrier shall:

(a) Charge, demand, collect, or receive from any person a greater or lesser compensation for any services rendered than it charges, demands, collects, or receives from any other person for doing a like or contemporaneous service;

(b) Make or give any undue or unreasonable preference or advantage to any particular person;

(c) Subject any type of traffic to any undue or unreasonable prejudice, delay, or disadvantage in any respect whatsoever;

(d) Charge or receive any greater compensation in the aggregate for the transportation of a like kind of property or passengers for a shorter than for a longer distance over the same line or route, except as the commission may prescribe in special cases to prevent manifest injuries, except that no manifest injustice shall be imposed upon any person at intermediate points. This section shall not prevent the commission from making group or emergency rates;

(e) Demand, charge, or collect, by any device whatsoever, a lesser or greater compensation for any service rendered than that filed with or prescribed by the commission; or

(f) Change any rate, schedule, or classification in any manner whatsoever before application has been made to the commission and permission granted for that purpose, except as otherwise provided in section 86-155.

(2) This section shall not prohibit any common carrier from, and a common carrier shall not be subject to any fine, penalty, or forfeiture for, performing services free or at reduced rates to:

(a) The United States, the State of Nebraska, or any governmental subdivision thereof;

(b) The employees, both present and retired, of such common carrier;

(c) Any person when the object is to provide relief in case of any disaster;

(d) Any person who transports property for charitable purposes;

(e) Ministers and others giving their entire time to religious or charitable work;

(f) Any person who is legally blind or visually handicapped; or

(g) Any person who is sixty-five years of age or older.

(3) The rates for services that are provided by motor carriers, regulated motor carriers, and transportation network companies, as such terms are defined in section 75-302, are not subject to regulation by the commission for any rate that is determined by an agreement with a state agency.

Sec. 89. Section 75-302, Revised Statutes Cumulative Supplement, 2024, is amended to read:

75-302 For purposes of sections 75-301 to 75-343 and in all rules and regulations adopted and promulgated by the commission pursuant to such sections, unless the context otherwise requires:

(1) Attended services means an attendant or caregiver accompanying a minor or a person who has a physical, mental, or developmental disability and is unable to travel or wait without assistance or supervision;

(2) Carrier enforcement division means the carrier enforcement division of the Nebraska State Patrol or the Nebraska State Patrol;

(3) Certificate means a certificate of public convenience and necessity issued under Chapter 75, article 3, to common carriers by motor vehicle;

(4) Civil penalty means any monetary penalty assessed by the commission or carrier enforcement division due to a violation of Chapter 75, article 3, or section 75-126 as such section applies to any person or carrier specified in Chapter 75, article 3; any term, condition, or limitation of any certificate or permit issued pursuant to Chapter 75, article 3; or any rule, regulation, or

order of the commission, the Division of Motor Carrier Services, or the carrier enforcement division issued pursuant to Chapter 75, article 3;

(5) Commission means the Public Service Commission;

(6) Common carrier means any person who or which undertakes to transport passengers for the general public in intrastate commerce by motor vehicle for hire, whether over regular or irregular routes, upon the highways of this state. Common carrier does not include:

(a) A motor carrier operating under a license issued pursuant to section 75-304.03; and

(b) A motor carrier that is engaged in intrastate medicaid nonemergency medical transportation services under a license that was issued pursuant to section 75-311;

(7) Contract carrier means any motor carrier that transports passengers for hire other than as a common carrier designed to meet the distinct needs of each individual customer or a specifically designated class of customers without any limitation as to the number of customers it can serve within the class. Contract carrier does not include:

(a) A motor carrier operating under a license issued pursuant to section 75-304.04; and

(b) A motor carrier that is engaged in intrastate medicaid nonemergency medical transportation services under a license that was issued pursuant to section 75-311;

(8) Division of Motor Carrier Services means the Division of Motor Carrier Services of the Department of Motor Vehicles;

(9) Highway means the roads, highways, streets, and ways in this state;

(10) Household goods means personal effects and property used or to be used in a dwelling, when a part of the equipment or supply of such dwelling, and similar property as the commission may provide by regulation if the transportation of such effects or property, is:

(a) Arranged and paid for by the householder, including transportation of property from a factory or store when the property is purchased by the

householder with the intent to use in his or her dwelling; or

(b) Arranged and paid for by another party;

(11) Intrastate commerce means commerce between any place in this state and any other place in this state and not in part through any other state;

(12) License means a license issued to:

(a) A motor carrier engaged in the for-hire, intrastate transportation of household goods under section 75-304.03;

(b) A motor carrier engaged in the for-hire, intrastate transportation of employees of a railroad carrier engaged in interstate commerce to or from their work locations under section 75-304.04; or

(c) A motor carrier, or person, engaged in the for-hire intrastate transportation of individuals, including contractors and agents of the Department of Health and Human Services, for the purpose of providing intrastate medicaid nonemergency medical transportation services under a license that was issued pursuant to section 75-311;

(13) Licensed care transportation services means transportation provided by an entity licensed by the Department of Health and Human Services as a residential child-caring agency as defined in section 71-1926 or child-placing agency as defined in section 71-1926 or a child care facility licensed under the Child Care Licensing Act to a client of the entity or facility when the person providing transportation services also assists and supervises the passenger or, if the client is a minor, to a family member of a minor when it is necessary for agency or facility staff to accompany or facilitate the transportation in order to provide necessary services and support to the minor. Licensed care transportation services must be incidental to and in furtherance of the social services provided by the entity or facility to the transported client;

(14) Motor carrier means any person other than a regulated motor carrier who or which owns, controls, manages, operates, or causes to be operated any motor vehicle used to transport passengers or property over any public highway in this state;

(15) Motor vehicle means any vehicle, machine, tractor, trailer, or semitrailer propelled or drawn by mechanical power and used upon the highways in the transportation of passengers or property but does not include any vehicle, locomotive, or car operated exclusively on a rail or rails;

(16) Permit means a permit issued under Chapter 75, article 3, to contract carriers by motor vehicle;

(17) Person means any individual, firm, partnership, limited liability company, corporation, company, association, or joint-stock association and includes any trustee, receiver, assignee, or personal representative thereof;

(18) Private carrier means any motor carrier which owns, controls, manages, operates, or causes to be operated a motor vehicle to transport passengers or property to or from its facility, plant, or place of business or to deliver to purchasers its products, supplies, or raw materials (a) when such transportation is within the scope of and furthers a primary business of the carrier other than transportation and (b) when not for hire. Nothing in sections 75-301 to 75-322 shall apply to private carriers;

(19) Regulated motor carrier means any person who or which owns, controls, manages, operates, or causes to be operated any motor vehicle used to transport passengers, other than those excepted under section 75-303, over any public highway in this state. Regulated motor carrier does not include:

(a) A motor carrier operating under a license issued pursuant to section 75-304.03;

(b) A motor carrier operating under a license issued pursuant to section 75-304.04; and

(c) A motor carrier that is engaged in intrastate medicaid nonemergency medical transportation services under a license that was issued pursuant to section 75-311;

(20) Residential care means care for a minor or a person who is physically, mentally, or developmentally disabled who resides in a residential home or facility regulated by the Department of Health and Human Services, including, but not limited to, a foster home, treatment facility, residential

child-caring agency, or shelter;

(21) Residential care transportation services means transportation services to persons in residential care when such residential care transportation services and residential care are provided as part of a services contract with the Department of Health and Human Services or pursuant to a subcontract entered into incident to a services contract with the department;

(22) Supported transportation services means transportation services to a minor or for a person who is physically, mentally, or developmentally disabled when the person providing transportation services also assists and supervises the passenger or transportation services to a family member of a minor when it is necessary for provider staff to accompany or facilitate the transportation in order to provide necessary services and support to the minor. Supported transportation services must be provided as part of a services contract with the Department of Health and Human Services or pursuant to a subcontract entered into incident to a services contract with the department, and the driver must meet department requirements for (a) training or experience working with minors or persons who are physically, mentally, or developmentally disabled, (b) training with regard to the specific needs of the client served, (c) reporting to the department, and (d) age. Assisting and supervising the passenger shall not necessarily require the person providing transportation services to stay with the passenger after the transportation services have been provided; and

(23) Transportation network company has the definition found in section 75-323. A transportation network company shall not own, control, operate, or manage drivers' personal vehicles.

Sec. 90. Section 75-303.01, Reissue Revised Statutes of Nebraska, is amended to read:

75-303.01 (1) The Department of Health and Human Services, a medicaid-managed care organization under contract with the department, or another agent working on the department's behalf may contract for nonemergency medical transportation for medicaid clients with a motor carrier or regulated motor

carrier holding:

(a) A designation of authority issued pursuant to subsection (3) of section 75-311 to provide medicaid nonemergency medical transportation services; or

(b) A license that was issued pursuant to section 75-311 to engage in intrastate medicaid nonemergency medical transportation services.

(2) While operating under such designation of authority or such license, a motor carrier or regulated motor carrier shall comply with:

(a) The requirements of the Department of Health and Human Services to protect the safety and well-being of department clients, including training, driver standards, background checks, and the provision and quality of service; and

(b) The rules and regulations adopted, promulgated, and enforced by the commission governing insurance requirements, equipment standards, and background checks.

Sec. 91. Section 75-303.02, Reissue Revised Statutes of Nebraska, is amended to read:

75-303.02 (1) The Department of Health and Human Services or any agency organized under the Nebraska Community Aging Services Act may contract for the transportation of clients with a contractor which does not hold a certificate or which is not otherwise exempt under section 75-303 only if:

(a) The proposed contractor is the individual who will personally drive the vehicle in question;

(b) The only compensation to the contractor for the transportation is paid by the department at a rate no greater than that provided for reimbursement of state employees pursuant to section 81-1176 for the costs incurred in the transportation; and

(c)(i) There is no regulated motor carrier serving the area in which the client needs transportation, (ii) the regulated motor carrier serving the area is incapable of providing the specific service in question by its own written statement or as determined by the commission upon application of the regulated

motor carrier or the department, or (iii) the regulated carrier cannot or will not provide such service at the rate specified in subsection (2) of section 75-303.03.

(2) This section does not apply to a motor carrier or regulated motor carrier holding:

(a) A designation of authority issued pursuant to subsection (3) of section 75-311; or

(b) A license that was issued pursuant to section 75-311 to engage in intrastate medicaid nonemergency medical transportation services.

Sec. 92. Section 75-303.03, Reissue Revised Statutes of Nebraska, is amended to read:

75-303.03 (1) The commission, in consultation with the Department of Health and Human Services, shall adopt and promulgate rules and regulations governing minimum liability insurance requirements, equipment standards, driver qualification requirements, and the issuance and filing of notice for any contractor utilized by the department or any agency organized under the Nebraska Community Aging Services Act pursuant to section 75-303.02.

(2) The Department of Health and Human Services or any agency organized under the Nebraska Community Aging Services Act shall reimburse common and contract carriers for transportation of passengers at a rate not to exceed the rate of reimbursement pursuant to section 81-1176 multiplied by three. The maximum reimbursement rate provided for in this subsection shall not apply when the carrier (a) transports such person wholly within the corporate limits of the city or village where the transportation of the person originated, (b) transports a disabled person as defined by the federal Americans with Disabilities Act of 1990 in a vehicle that is compliant with the regulations providing for the transportation of such disabled person, or (c) provides nonemergency medical transportation of medicaid clients pursuant to subsection (3) of section 75-311.

(3)(a) Rates for the following nonemergency medical transportation service providers are not subject to regulation by the commission:

(i) Any holder of a designation of authority that was issued pursuant to subsection (3) of section 75-311; and

(ii) Any holder of a license that was issued pursuant to section 75-311 to engage in intrastate medicaid nonemergency medical transportation services.

(b) Regulated motor carriers with such a designation reimbursed under this section are not subject to commission rate regulation for such reimbursement rates.

(4)(a) The Department of Health and Human Services may reimburse an individual for the costs incurred by such individual in the transportation of a person eligible to receive transportation services through the department if:

(i) The individual is under contract with the department and provides transportation to the eligible person; and

(ii) The eligible person has chosen the individual to provide the transportation.

(b) The department shall reimburse for the costs incurred in the transportation at a rate no greater than that provided for reimbursement of state employees pursuant to section 81-1176.

(c) Transportation provided to an eligible person by an individual pursuant to this section does not constitute transportation for hire.

(d) The department may adopt and promulgate rules and regulations to implement this subsection.

Sec. 93. Section 75-307, Revised Statutes Cumulative Supplement, 2024, is amended to read:

75-307 (1)(a) The following motor carriers and regulated motor carriers shall comply with the rules and regulations described in subdivision (b) of this subsection:

(i) Common and contract carriers;

(ii) Any motor carrier transporting household goods under a license issued pursuant to section 75-304.03;

(iii) Any motor carrier transporting employees of a railroad carrier under a license issued pursuant to section 75-304.04; and

(iv) Any motor carrier holding a license that was issued pursuant to section 75-311 to engage in intrastate medicaid nonemergency medical transportation services.

(b) The commission may adopt and promulgate rules and regulations governing the filing with the commission, the approval of the filings, and the maintenance of proof at such carrier's principal place of business of surety bonds, policies of insurance, qualifications as a self-insurer, or other securities or agreements, in such reasonable amount as required by the commission, conditioned to pay, within the amount of such surety bonds, policies of insurance, qualifications as a self-insurer, or other securities or agreements, any final judgment recovered against such motor carrier for bodily injuries to or the death of any person resulting from the negligent operation, maintenance, or use of motor vehicles under such certificate, permit, or license or for loss or damage to property of others.

(c)(i) Any certificate, permit, or license shall not be issued to any of the following that does not comply with this section or the rules and regulations adopted and promulgated pursuant to this section:

(A) Any common or contract carrier;

(B) Any motor carrier transporting household goods under section 75-304.03;

(C) Any motor carrier transporting employees of a railroad carrier under section 75-304.04; or

(D) Any motor carrier engaging in intrastate medicaid nonemergency medical transportation services pursuant to section 75-311.

(ii) Any certificate, permit, or license described in this subdivision (c) that has been issued shall not remain in force unless the carrier complies with this section and the rules and regulations adopted and promulgated pursuant to this section.

(2)(a) The following motor carriers shall comply with the rules and regulations described in subdivision (b) of this subsection:

(i) Any certificated carrier;

(ii) Any motor carrier transporting household goods under a license issued pursuant to section 75-304.03;

(iii) Any motor carrier transporting employees of a railroad carrier under a license issued pursuant to section 75-304.04; and

(iv) Any motor carrier holding a license that was issued pursuant to section 75-311 to engage in intrastate medicaid nonemergency medical transportation services.

(b) The commission may adopt and promulgate rules and regulations that require the motor carriers described in subdivision (a) of this subsection to file a surety bond, policies of insurance, qualifications as a self-insurer, or other securities or agreements, in a sum to be determined by the commission, to be conditioned upon such carrier making compensation to shippers or consignees for all property belonging to shippers or consignees and coming into the possession of such carrier in connection with its transportation service.

(c) Any motor carrier that is required by law to compensate a shipper or consignee for any loss, damage, or default for which a connecting motor common carrier is legally responsible shall be subrogated to the rights of such shipper or consignee under any such bond, policies of insurance, or other securities or agreements to the extent of the sum so paid.

(3) In carrying out this section, the commission may classify motor carriers and regulated motor carriers taking into consideration the hazards of the operations of such carriers and the value of the household goods carried. Nothing contained in this section shall be construed to authorize the commission to compel motor carriers other than those transporting household goods under section 75-309 or under a license issued pursuant to section 75-304.03 to carry cargo insurance.

(4) This section does not apply to transportation network companies.

Sec. 94. Section 75-311, Revised Statutes Supplement, 2025, is amended to read:

75-311 (1)(a) A certificate shall be issued to any qualified applicant authorizing the whole or any part of the operations covered by the application

if it is found after notice and hearing that (i) the applicant is fit, willing, and able properly to perform the service proposed and to conform to the provisions of sections 75-301 to 75-322 and the requirements, rules, and regulations of the commission under such sections and (ii) the proposed service, to the extent to be authorized by the certificate, whether regular or irregular, is or will be required by the present or future public convenience and necessity. Otherwise the application shall be denied.

(b) The burden shall be on the applicant to show (i) that they are fit, willing, and able properly to perform the service proposed and to conform to the provisions of sections 75-301 to 75-322 and the requirements, rules, and regulations of the commission and (ii) that the proposed service will be responsive to a public demand or need.

(c) The burden shall be on any protestant to the application to show that (i) existing carriers are currently meeting, or will meet, the proposed need and (ii) even if the applicant's service will be responsive to a public demand or need, the applicant would not be able to serve this need in a specified manner without endangering or impairing the operations of existing carriers contrary to the public interest.

(2)(a) A permit shall be issued to any qualified applicant therefor authorizing in whole or in part the operations covered by the application if it appears after notice and hearing from the application or from any hearing held on the application that (i) the applicant is fit, willing, and able properly to perform the service of a contract carrier by motor vehicle and to conform to the provisions of such sections and the lawful requirements, rules, and regulations of the commission under such sections and (ii) the proposed operation, to the extent authorized by the permit, will be consistent with the public interest by providing services designed to meet the distinct needs of each individual customer or a specifically designated class of customers as described in subdivision (7) of section 75-302. Otherwise the application shall be denied.

(b) Prior to January 1, 2027, for a designation of authority to provide

medicaid nonemergency medical transportation services pursuant to a contract with (i) the Department of Health and Human Services, (ii) a medicaid-managed care organization under contract with the department, or (iii) another agent working on the department's behalf as provided under section 75-303.01, in determining whether the authorization will be consistent with the public interest, the commission shall consult with the Director of Medicaid and Long-Term Care of the Division of Medicaid and Long-Term Care of the department or his or her designee.

(3)(a) This subsection applies prior to January 1, 2027.

(b) A designation of authority shall be issued to any regulated motor carrier holding a certificate under subsection (1) of this section or a permit under subsection (2) of this section authorizing such carrier to provide medicaid nonemergency medical transportation services pursuant to a contract with (i) the Department of Health and Human Services, (ii) a medicaid-managed care organization under contract with the department, or (iii) another agent working on the department's behalf as provided under section 75-303.01, if it is found after notice and hearing from the application or from any hearing held on the application that the authorization is or will be required by the present or future convenience and necessity to serve the distinct needs of medicaid clients.

(c) The burden shall be on the applicant to show that the proposed service will be responsive to a public demand or need. The burden shall be on any protestant to the application to show that (i) existing carriers are currently meeting, or will meet, the proposed need and (ii) even if the applicant's service will be responsive to a public demand or need, the applicant would not be able to serve this need in a specified manner without endangering or impairing the operations of existing carriers contrary to the public interest.

(d) In determining whether the authorization is or will be required by the present or future convenience and necessity to serve the distinct needs of medicaid clients, the commission shall consult with the Director of Medicaid and Long-Term Care of the Division of Medicaid and Long-Term Care of the

department or his or her designee.

(4)(a) Beginning January 1, 2027, a person shall not engage in intrastate medicaid nonemergency medical transportation services with any of the following prior to being issued a license for such purpose by the commission:

(i) The Department of Health and Human Services;

(ii) A medicaid-managed care organization under contract with the Department of Health and Human Services; or

(iii) Any agent working on behalf of the Department of Health and Human Services.

(b) Any person may apply to the commission for a license to engage in intrastate medicaid nonemergency medical transportation services on a form prescribed by the commission. The commission may approve any such application if the commission determines that the applicant meets the following qualifications:

(i) The applicant is fit, willing, and able to properly perform intrastate medicaid nonemergency medical transportation services; and

(ii)(A) If the applicant is not a transportation network company, the applicant is able to conform to sections 75-301 to 75-322 and the rules and regulations that are adopted and promulgated by the commission under such sections; or

(B) If the applicant is a transportation network company, the applicant is able to conform to sections 75-323 to 75-342 and the rules and regulations that are adopted and promulgated by the commission under such sections.

(c) Prior to issuing a license to engage in intrastate medicaid nonemergency medical transportation services, the commission may hold a hearing to determine if the applicant meets the qualifications described in subdivision (b) of this subsection.

(d) A license to engage in intrastate medicaid nonemergency medical transportation services is valid for one year. Any such license may be renewed annually.

(e) The fee for a license or renewal of a license shall be established by

the commission, but shall not exceed two hundred fifty dollars. Such fee shall accompany the application for such license or renewal of such license.

(f)(i) The commission may suspend or revoke any license to engage in intrastate medicaid nonemergency medical transportation services of any:

(A) Motor carrier that does not comply with section 75-307;

(B) Transportation network company that does not comply with sections 75-332 to 75-341; or

(C) Any motor carrier or transportation network company that does not comply with any applicable rule or regulation that is adopted and promulgated by the commission or any applicable lawful order of the commission.

(ii) Any such suspension or revocation is not valid unless the commission:

(A) Provides to such person a written notice that describes such suspension or revocation. Such written notice shall be provided at least fifteen days prior to the hearing described in subdivision (f)(ii)(B) of this subsection; and

(B) Holds a hearing to determine if such license shall be suspended or revoked. Such person is not required to be present at the hearing.

(g) Except for a transportation network company holding a permit under section 75-324, any person that is issued a license to engage in intrastate medicaid nonemergency medical transportation services shall comply with section 75-307.

(5) Subsections (1) through (3) of this section shall not apply to transportation network companies holding a permit under section 75-324 or operations pursuant to a contract authorized by sections 75-303.02 and 75-303.03.

Sec. 95. Section 75-342, Revised Statutes Supplement, 2025, is amended to read:

75-342 (1) No transportation network company or participating driver shall provide transportation for any person under contract with the Department of Health and Human Services or any contractors of the Department of Health and Human Services without specific authorization from the commission. The

commission shall grant specific authorization to a requesting transportation network company or participating driver, unless a protestant shows that (a) existing carriers are currently meeting, or will meet, the proposed need for the proposed service and (b) even if the applicant's service will be responsive to a public demand or need, the applicant would not be able to serve such need in a specified manner without endangering or impairing the operations of existing carriers contrary to the public interest.

(2)(a) No transportation network company or participating driver shall engage in intrastate medicaid nonemergency medical transportation services unless such transportation network company or participating driver holds a license to engage in such services under subsection (4) of section 75-311.

(b) Subsection (1) of this section does not apply to a transportation network company or participating driver that holds a license under subsection (4) of section 75-311.

Sec. 96. Section 86-903, Revised Statutes Supplement, 2025, is amended to read:

86-903 (1) The Department of Revenue shall determine the prepaid wireless surcharge annually, effective January 1, based on the charges described in subsection (2) of this section as in effect on the preceding July 1. The department shall provide not less than ninety days' advance notice of any change in the prepaid wireless surcharge on the department's website.

(2) The rate of the prepaid wireless surcharge shall be the sum of the following three percentages, rounded up to the nearest tenth of one percent:

(a) The percentage obtained by dividing (i) the amount of the wireless surcharge authorized under subsection (1) of section 86-1070 by (ii) fifty;

(b) The percentage obtained by dividing (i) the amount of the Nebraska Telecommunications Relay System Fund surcharge set by the Public Service Commission pursuant to the Telecommunications Relay System Act by (ii) fifty; and

(c) The percentage obtained by multiplying (i) the Nebraska Telecommunications Universal Service Fund surcharge percentage rate set by the

Public Service Commission by (ii) one minus the Federal Communications Commission safe harbor percentage for determining the interstate portion of a fixed monthly wireless charge.

(3) The Department of Revenue shall provide the Public Service Commission with prepaid wireless surcharge calculation and collection data upon request by the commission.

(4) Beginning January 1, 2013, each seller shall collect the prepaid wireless surcharge from the consumer with respect to each retail transaction occurring in this state. The seller shall disclose the amount of the prepaid wireless surcharge either separately on an invoice, receipt, or other similar document that is provided to the consumer by the seller or otherwise. A retail transaction that is effected in person by a consumer at a business location of the seller shall be treated as occurring in this state if that business location is in this state, and any other retail transaction shall be treated as occurring in this state if the retail transaction is treated as occurring in this state for purposes of section 77-2703.

(5) The prepaid wireless surcharge is the liability of the consumer and not of the seller or of any provider, except that the seller shall be liable to remit all prepaid wireless surcharges that the seller collects from consumers as provided in section 86-904, including all such charges that the seller is deemed to collect when the amount of the charge has not been separately stated on an invoice, receipt, or other similar document provided to the consumer by the seller.

(6) The amount of the prepaid wireless surcharge that is collected by a seller from a consumer, whether or not such amount is separately stated on an invoice, receipt, or other similar document provided to the consumer by the seller, shall not be included in the base for measuring any tax, fee, surcharge, or other charge that is imposed by this state, any political subdivision of this state, or any intergovernmental agency.

(7) For purposes of subsection (4) of this section, when prepaid wireless telecommunications service is sold with one or more other products or services

for a single, non-itemized price, the seller shall elect to treat the price of the prepaid wireless telecommunications service (a) as such entire non-itemized price, (b) if the amount of prepaid wireless telecommunications service is disclosed to the consumer as a dollar amount, as such dollar amount, or (c) if the retailer can identify the portion of the price that is attributable to the prepaid wireless telecommunications service by reasonable and verifiable standards from its books and records that are kept in the regular course of business for other purposes, including, but not limited to, nontax purposes, as such portion. If the amount of prepaid wireless telecommunications service is denominated as ten minutes or less or as five dollars or less, the seller may elect not to collect any prepaid wireless surcharge with respect to the retail transaction.

Sec. 97. Section 86-1070, Revised Statutes Supplement, 2025, is amended to read:

86-1070 (1) Each wireless carrier shall collect a surcharge of up to seventy cents on all active telephone numbers or functional equivalents every month from users of wireless service and shall remit the surcharge in accordance with section 86-1072. The wireless carrier is not liable for any surcharge not paid by a customer and is not required to collect the wireless surcharge for any customers receiving services under the Nebraska Telephone Assistance Program who do not receive a monthly charge for service through a billing statement.

(2) Except as otherwise provided in this section, the wireless carrier shall add the surcharge to each user's billing statement. The surcharge shall appear as a separate line-item charge on the user's billing statement and shall be labeled as "Wireless 911 Surcharge" or a reasonable abbreviation of such phrase.

(3) If a wireless carrier, except as otherwise provided in this section, resells its service through other entities, each reseller shall collect the surcharge from its customers and shall remit the surcharge in accordance with section 86-1072.

(4) The surcharges authorized by this section shall not apply to prepaid wireless telecommunications service as defined in section 86-902.

Sec. 98. Section 86-1071, Revised Statutes Supplement, 2025, is amended to read:

86-1071 The commission shall hold a public hearing annually to determine the amount of revenue necessary to carry out the 911 Service System Act. After the hearing, the commission shall determine the amount of money to be deposited in the 911 Service System Fund for the following year to maximize operational support for all public safety answering points in the state and shall set the surcharge subject to the limitation in section 86-1070.

Sec. 99. Original sections 13-2901, 13-2902, 13-2903, 13-2904, 13-2905, 13-2911, 13-2912, 13-2914, 39-1638, 39-1639, 39-1640, 39-1641, 39-1642, 39-1643, 39-1644, 39-1645, 39-1646, 39-1647, 39-1648, 39-1649, 39-1650, 39-1651, 39-1652, 39-1653, 39-1655, 60-507, 60-513, 60-695, 60-6,299, 75-303.01, 75-303.02, and 75-303.03, Reissue Revised Statutes of Nebraska, sections 39-1351, 39-2801, 39-2802, 39-2811, 39-2814, 39-2824, 39-2825, 60-462, 60-699, 60-6,123, 75-118, 75-302, and 75-307, Revised Statutes Cumulative Supplement, 2024, and sections 60-4,131, 60-601, 60-605, 60-6,298, 75-126, 75-311, 75-342, 86-903, 86-1070, and 86-1071, Revised Statutes Supplement, 2025, are repealed.

Sec. 100. The following section is outright repealed: Section 39-1654, Reissue Revised Statutes of Nebraska.

PRESIDENT OF THE LEGISLATURE

THIS IS TO CERTIFY that the within LB 1126 was passed by the One Hundred Ninth Legislature of Nebraska at its Second Session on the day of 20.....

CLERK OF THE LEGISLATURE

Approved:

..... 20....., o'clockM.

GOVERNOR