

## LEGISLATIVE BILL 548

Approved by the Governor March 3, 2026

Introduced by Lippincott, 34; Raybould, 28; Meyer, G., 17.

A BILL FOR AN ACT relating to natural gas systems; to provide for cities of the first and second classes and villages to contract with industrial users of natural gas; and to provide requirements for such contracts.  
Be it enacted by the people of the State of Nebraska,

**Section 1.** (1) The Legislature declares that the purpose of this section is to allow certain cities and villages that own and operate natural gas systems to engage in tax-exempt natural gas supply transactions as described in section 148(b)(4) of the Internal Revenue Code and 26 C.F.R. 1.148-1(e)(2)(iii), as such section and regulation existed on January 1, 2024, that benefit the cities and villages and their taxpayers as well as the counterparty to the transactions and the people of Nebraska by incentivizing private investment and economic development.

(2) On or before January 1, 2027, any city of the first or second class or village which owns and operates a natural gas system may enter into a contract to sell natural gas to any industrial consumer of natural gas whose facilities are located in the State of Nebraska, are within one hundred miles of such city or village, and, at the time the parties enter into the transaction, require at least three billion British thermal units of natural gas per day based on an annual average. The contract term shall be for at least two years and may include renewal and extension terms. At the time the parties enter into the contract, the industrial consumer shall not be a consumer of any competitive natural gas provider. The contract shall provide for the consumer to receive natural gas, directly or indirectly, through a competitive natural gas provider registered in Nebraska. Prior to entering into a contract with an industrial consumer, the city council or village board of trustees shall adopt a resolution stating that the contract does not pose an unreasonable financial risk to the city or village or its taxpayers. Such industrial consumer shall not, within five years prior to the contract's execution, have received gas service from any investor-owned or governmentally owned gas system. The consumer's facilities shall be considered within the service area of the natural gas distribution system of the city or village.