



The Nebraska Legislature made significant progress this week, primarily focused on addressing the state's budget shortfall exceeding \$260 million. Lawmakers advanced the mainline budget bill (LB261) and the fund transfer bill (LB264) from General File after robust debate, approving measures that include over \$193 million in reduced spending and \$160 million in cash fund sweeps and transfers. The budget package incorporates successful amendments adding \$4 million for Meals-On-Wheels and senior centers and \$300,000 for Special Olympics. Beyond budget deliberations, the Legislature advanced numerous priority bills, including measures related to first responder recruitment (LB608), nameplate capacity tax distribution (LB50), judicial salaries (LB513), state claims (LB534), and several other bills addressing various policy areas from infrastructure to healthcare.

On Tuesday, the Legislature began debate on the budget bills, focusing on the mainline budget bill, LB261 (Arch at the request of the Governor). With an over \$260 million dollar budget shortfall to make up, the Appropriations Committee did not provide a General Fund amendment that would make up the budget shortfall, instead opting to do so on Select File. While Senators proposed other transfers to cover the budget shortfall, such as from the Perkins County Canal project, LB261 was largely adopted as recommended by the Appropriations Committee. Other appropriations that were successfully amended into LB261 include \$4 million to Meals-On-Wheels and senior centers and \$300,000 to Special Olympics funding. After eight hours of debate, Speaker Arch invoked cloture on the mainline budget bill 35-8 and it was advanced from General File 37-6.

Wednesday continued budget debate, moving to the other major budget bill, LB264 (Arch at the request of the Governor). LB264, which makes various fund transfers, was also advanced without major modifications 34-6 after invoking cloture 34-6. The mainline budget and fund transfer bill advanced on General File included over \$193 million in reduced spending, as well as \$160 million in cash fund sweeps and transfers, such as over \$27 million from the Water Recreation Enhancement Fund and over \$8 million from the Health and Human Services Cash Fund. The main budget bills also include over \$50 million in investment earnings from various funds and reductions in proposed cash fund transfers, including a \$22 million reduction to the Water Sustainability Fund and \$16 million to the Education Future Fund. The other budget bills, LB260 (Arch) to change state agency appropriations, LB262 (Arch) to appropriate funds for Legislative salaries, and LB263 (Arch) to appropriate funds for constitutional officer salaries, were also advanced to Select File without significant amendments.

Thursday was a busy day for the Legislature, advancing appropriations bills, priority bills, and trailing bills to the budget. The Legislature advanced several appropriation bills including LB36A (Brandt), LB80A (Hallstrom), LB275A (Hunt), LB288A (McKinney), and LB647A (von Gillern). LB608 (Bostar) relating to insurance provisions for firefighters and inclusion of correctional officers, youth detention officers, and certain disabled persons in the First Responder Recruitment and Retention Act saw extensive debate with multiple amendments proposed, withdrawn, and adopted before finally advancing to Final Reading. Other bills advanced included LB50 (DeKay) to change provisions relating to the distribution of the nameplate capacity tax for community colleges, LB166 (Hughes) requiring

county treasurers to maintain confidentiality of certain persons' residential addresses, LB513 (Bosn) to change judges' salaries, and LB534 (Kauth) to provide for payment of claims against the state. After debate on LB644 (Bostar) concerning the Foreign Adversary and Terrorist Agent Registration Act and other provisions related to foreign entities and genetic data, which saw multiple amendments and motions before being advanced to Select File.

On Friday, the Legislative session began with the Legislature focusing on budget bills, with LB260 (Speaker Arch at the request of the Governor) addressing appropriations, LB262 (Speaker Arch) for legislative salaries, and LB263 (Speaker Arch) for constitutional officers' salaries all advancing to Final Reading after limited debate. The Legislature then moved to Consent Calendar bills, successfully advancing all five General File bills: LB371 (DeBoer) providing liability for computer-generated images, LB490 (McKeon) concerning agricultural vehicle titles, LB422 (Storer) changing provisions of the Nebraska Uniform Real Property Transfer on Death Act, LB499 (DeBoer) changing membership of the Crime Victim's Reparations Committee, and LB558 (von Gillern) creating the Infrastructure Review Task Force. Several Final Reading bills passed, including LB90 (Clouse) on improvement districts, LB183 (DeKay) on unclaimed property, LB419 (Lonowski) on veteran homes, LB519 (Juarez) on confirmatory testing of contraband, and LB635 (Hansen) on various martial arts regulations. The Legislature also made progress on General File Speaker priority bills, advancing LB77 (Bostar) to adopt the Ensuring Transparency in Prior Authorization Act, LB217 (Fredrickson) requiring suicide awareness training, LB391 (Murman) adopting the Give to Enable Scholarship Act, LB454 (Quick) changing provisions for behavioral health authorities, and LB707 (von Gillern) changing the Good Life Transformational Projects Act. Additionally, LR19CA (Dover) proposing a constitutional amendment to change legislative term limits to three consecutive terms advanced to Select File.

Next week, the Legislature will finish the budget bills and will move to address remaining priority bills and consent calendar legislation. Of these, LB468 (Clements) to reduce the inheritance tax and provide replacement revenues through fee increases, state appropriation shifts, and tax increases, is expected to return for Select File debate.

Taylor Gold

Research Analyst

