

CHAPTER 1:

Agency Overview

The Nebraska Department of Environment and Energy (NDEE) marked its 50th year as a state agency in 2021. The agency was originally created with the passage of the Environmental Protection Act in 1971. At that time, the agency was named the Nebraska Department of Environmental Control; it later became the Nebraska Department of Environmental Quality in 1992. With the 2019 merger of the Nebraska Energy Office, the agency became the Nebraska Department of Environment and Energy to better reflect its new focus. New changes were reflected in July, 2025, when the Department of Natural Resources merged with the Department of Environment and Energy to become the newly created Department of Water, Energy and Environment.

This report focuses on NDEE activities occurring in state fiscal year 2025 (July 1, 2024 to June 30, 2025). NDEE was authorized for a staffing level of 268 full-time employees.

NDEE had a FY2024-25 annual budget of approximately \$98 million. This includes money from federal grants, state taxes, and fees.

The table below shows a breakdown of NDEE budgeted funds as approved by the Nebraska Legislature. The columns listed as aid represent the agency's budget to be redistributed to other agencies, organizations, and individuals as grants and loans. The columns listed as operations represent amounts to be used for agency operation and contracts for such things as investigations and cleanups.

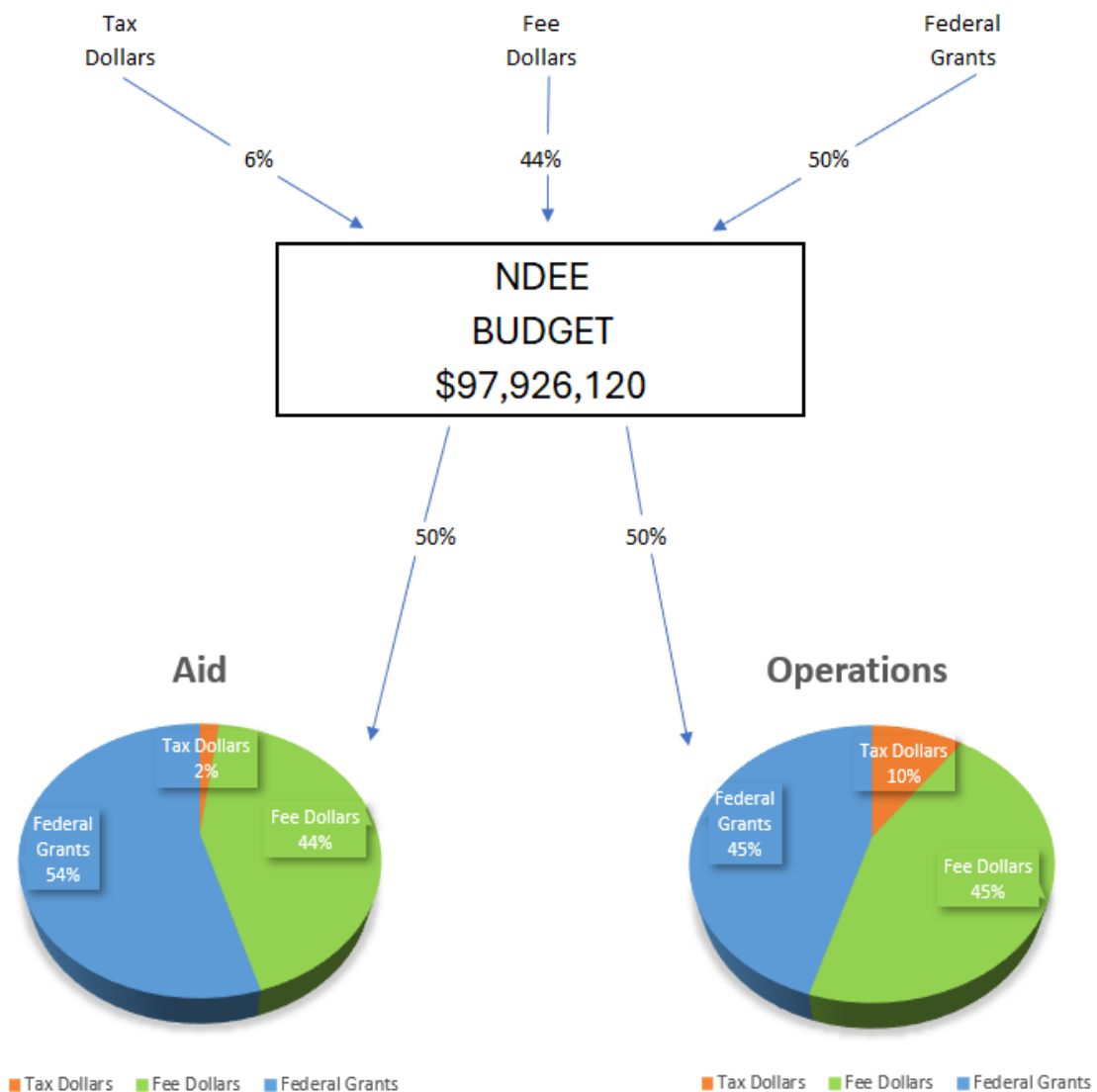
Funding Type	Operations: \$ Amount	Percent of Operations Budgeted	Aid: \$ Amount	Percent of Aid Budgeted
State General Funds (Tax \$)	\$4.9 million	10%	\$1.0 million	2%
Cash Funds (Fees)	\$22.0 million	45%	\$21.2 million	44%
Federal Funds (Grants)	\$22.2 million	45%	\$26.6 million	54%
Total	\$49.1 million		\$48.8 million	

The following graphic depicts NDEE's FY2024-25 budget by funding source and percent budgeted by fund type and activity (aid or operations).



FY 24-25 Budget

As of July 1, 2024



FTE = 268

Significant Topics in 2025

The following are some of the significant topics, challenges, and accomplishments that NDEE addressed in FY2025:

NDEE and NeDNR merge into Department of Water, Energy, and Environment

The 2025 Nebraska Legislature took action in early May to pass LB 317 into law, officially merging the Nebraska Department of Natural Resources (NeDNR) with the Nebraska Department of Environment and Energy (NDEE). The newly formed agency, the Nebraska Department of Water, Energy, and Environment, began operations on July 1, 2025.

Governor Pillen championed the merger as a strategic move to unify the state's efforts in managing both water quality and water quantity. With Nebraska experiencing rapid growth in industries such as hydrogen, advanced biofuels, animal processing, and data centers—all of which place significant demands on water—Pillen emphasized the importance of strengthening the state's ability to manage this critical resource effectively. The consolidation, according to state leadership, lays a stronger foundation for coordinated oversight under a single agency, helping ensure that water remains a sustainable asset for future development.

The merger is also seen as a step toward improving Nebraska's long-term management of environmental resources. For those who previously had to navigate both agencies separately, the new structure is expected to simplify planning and permitting processes, enhancing efficiency and service delivery.

Aligning environmental and water strategies under one roof is viewed as a forward-looking move. Leaders believe this integration will not only meet the demands of today's industries but also safeguard Nebraska's natural resources for generations to come.

NDEE releases report on statewide Nitrate Drinking Water Study

In January of 2025, NDEE released a report following the completion of the Nebraska Nitrate in Drinking Water Study. The goal of this study was to provide analysis and recommend viable solutions for nitrate-affected drinking water, including private domestic wells, which are not regulated by the Safe Drinking Water Act (SDWA).

The study included nitrate sampling data from public water systems, the Nebraska Groundwater Clearinghouse, and from private domestic well owners who agreed to participate in the agency's free sampling effort that began in November 2023 and ran through March 1, 2024. Nearly 3,500 test kits were returned for analysis and inclusion in the study, making it the largest private domestic well nitrate sampling effort in state history.

The final report is available on the DWEE website here: <https://dee.nebraska.gov/water/nitrate-drinking-water-study>.

In addition to the final report, the study allowed NDEE to develop additional resources, including a Geographic Information System (GIS) predictive nitrate groundwater concentration model, an interactive, web-based GIS tool to assess nitrate risk for private domestic wells, a nitrate outreach toolbox and guidance documents, a public water system assistance ranking system to target outreach and funding, and nitrate summary reports available to community water systems to show trends in their source water.

Strategic Planning

Strategic planning influences both the internal operations and external responsibilities of the department. Internally, it identifies opportunities for improvement, enhances team efficiency, and encourages a forward-looking mindset among staff and leadership. Externally, it supports a more proactive approach to meeting the needs of Nebraskans by guiding resource planning and allocation. Several years ago, the Department developed vision and mission statements providing clear direction for a one to five year period.

In June, 2025, after the merger creating the new agency, DWEE's leadership shared a new vision and mission statement moving forward:

Vision: A Nebraska where water, energy, and environmental resources are sustainably managed and safeguarded through effective communications, collaboration, innovation, and stewardship — ensuring the prosperity of our communities and agricultural-based economy for future generations.

Mission: The Nebraska Department of Water, Energy and Environment is committed to protecting and enhancing Nebraska's water, energy, and environmental resources through science-based decision-making, strong partnerships, and cooperative efforts.

Values:

- **Customers:** We will consider the impact to our customers in everything we do; customers can be internal and external to the agency.
- **Communication:** We will effectively communicate throughout our organization and with our customers.
- **Culture:** We will create a proactive culture of excellence that promotes teamwork and collaboration with each other and our customers, agency & stakeholder integrity, resource stewardship, science-based decision making, and innovation.
- **Collaboration:** Proactively identifying effective solutions to support our customer's needs.
- **Stewardship:** We are dedicated to the responsible management of Nebraska's water, energy, and environmental resources—protecting these vital resources today so they remain abundant and productive for future generations.
- **Science-Based Decision Making:** Utilizing the best available data and research to drive informed policies and practices.
- **Innovation:** We embrace new ideas and always ask, "How can we provide more value?"

In the months ahead, agency leadership will continue to shape and refine strategic plan elements that build on the shared vision and guide the Department's future actions.

2025 Legislative Summary

The Nebraska Legislature enacted six legislative bills in 2025 that had a direct impact on NDEE.

LB 36: This piece of legislation was the Natural Resources Committee priority package which incorporated provisions from several additional bills. Two bills included in the package, LBs 309 and 459, created additional duties for the Department.

- LB 309 created the Safe Battery Collection and Recycling Act. The Act requires battery manufacturers to pay for the collection and recycling of portable and medium format batteries at the end of their useful life. Beginning in 2028, producers and retailers may not sell any covered battery or battery containing product unless they are a member of a battery stewardship organization (BSO) approved by the department. Each BSO is required to submit a battery stewardship plan to the department by Jan. 1, 2027, and must provide free and accessible collections sites across the state. The bill also mandates public education efforts to increase awareness about battery recycling and assigns oversight to the NDEE. Fees for the operation of this program will be set in regulation by the Department, and startup costs will come from the Waste Reduction and Recycling Incentive Fund.
- LB 459 created the Home Weatherization Clearinghouse within the department. The clearinghouse is required to establish an information hub for home weatherization project funding. It also will assist in coordinating efforts by state and local agencies to optimize the execution of those projects. The Department is to utilize existing resources to carry out the new responsibilities.

LB 167: This bill amended the Nebraska Litter Reduction and Recycling Act to extend the sunset date of the Act from September 30, 2025, to September 30, 2030. The Act, established in 1979, has provided funds to support programs across the state to reduce litter, provide education and promote recycling in Nebraska. Funds from this program are provided from an annual fee assessed to manufacturers, wholesalers and retailers having gross receipts of at least \$100 thousand on products that commonly contribute to litter.

LB 247: This bill changes provisions of the Integrated Solid Waste Management Act to increase a fee on landfill operators from \$1.25 to \$2.34 per ton of solid waste, six cubic yards of uncompacted solid waste or three cubic yards of compacted solid waste. The bill directs 65% of the fees to the Integrated Solid Waste Management Cash Fund, with the remainder going to the Waste Reduction and Recycling Incentive Fund. Under the bill, the Solid Waste Cash Fund, which is used to cover the costs of responding to spills or other environmental emergencies, also may be used to provide cost share, operation and maintenance for remediation of federal Superfund sites. In addition to the fee increase, LB247 repeals a provision allowing the Legislature to direct transfers from the Petroleum Release Remedial Action Cash Fund to the Superfund Cost Share Cash Fund.

LB 288: This Urban Affairs Committee bill amending the Middle Income Workforce Housing Investment Act also included a provision of LB 531 which provided an exception to the Nebraska Affordable Housing Act. Provisions of LB531 prohibit the Nebraska Department of Economic Development from requiring any new construction project or rental conversion project that receives funding from the Affordable Housing Trust Fund to comply with the 2018 International Energy Conservation Code (IECC). Additionally, the measure provides an exception that NDEE is not required to review building plans and specifications for compliance with the 2018 IECC if the plans

already have been reviewed by a county, city or village enforcing a local building code that includes the international code's requirements.

LB 317: This bill merged two agencies, NeDNR with NDEE, into a new agency which is renamed the Department of Water, Energy and Environment (DWEE). The merger became operational on July 1, 2025. The former director position of the NDEE will lead the new agency. The former Department of Natural Resources director becomes the Chief Water Officer, who will head the new Division of Water and report directly to the DWEE director. The Chief Water Officer will be appointed by the governor and subject to confirmation by the Legislature.

LB 346: This legislation eliminated certain state boards and councils outlined in NDEE related statutes. Effective July 1, 2026, the Advisory Council on Public Water Supply, the Natural Gas Fuel Board, the Advisory Committee on Solid Waste Management, the State Emergency Response Commission, the Private Onsite Wastewater Treatment System Advisory Committee, and the Climate Assessment Response Committee will be terminated.