

2025 Annual State Threat Assessment

State of Nebraska

Office of the Governor

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Prepared pursuant to Nebraska Revised Statute § 81-836

Introduction

This Annual State Threat Assessment is submitted in accordance with Nebraska Revised Statute § 81-836, created by the passage of LB 1300 in 2024. The report provides a non-classified overview of substantial threats facing Nebraska and the concrete actions Governor Pillen’s administration has taken in 2024–2025 to mitigate them. The administration has maintained aggressive enforcement of new statutory protections, expanded readiness capabilities, and pursued governor-led trade outreach to trusted Indo-Pacific partners. Progress is summarized below in the three areas that remain administration priorities: agriculture and food security, homeland protection, and cybersecurity.

1. Agriculture and Food Security as National Security

Nebraska’s 44 million acres of farms and ranches generate approximately 5.4% of total U.S. farm sales (\$31.6 billion in 2023), with agriculture supporting one in four jobs statewide. The Pillen administration continues to treat food production as a core component of national security.

The U.S. Intelligence Community assesses that China’s dominance in key supply chains enables its use of economic coercion against countries that adopt policies Beijing opposes. This includes restrictions on critical materials like gallium and germanium—essential for agricultural technologies such as precision farming equipment—and pharmaceuticals, where U.S. imports from China surged five-fold to \$10.3 billion between 2020 and 2022. Such dependencies could disrupt Nebraska’s fertilizer and biotech inputs during trade disputes, amplifying risks to crop yields and livestock health.

Enforcement of LB 1301 (2024), the Foreign-owned Real Estate National Security Act, has been a cornerstone response. The Act prohibits the governments of China, Russia, Iran, North Korea, Cuba, and Venezuela—and entities they control—from purchasing or leasing Nebraska agricultural land or property near military installations. In 2025, the Nebraska Department of Agriculture completed its initial compliance review, initiated investigations using US Department of Agriculture foreign investment and disclosure (AFIDA) reports, and

secured voluntary divestitures. The administration continues to advocate for more timely federal reporting to bolster these safeguards.

Concurrently, the administration has pursued expanded market access with allied nations to counter People's Republic of China (PRC) coercion. Governor-led trade missions in 2025 visited Japan, South Korea, Vietnam, and Indonesia, yielding new purchase agreements for Nebraska beef, pork, soybeans, corn, and ethanol. These efforts have encouraged reciprocal investment from trusted partners, including Japanese manufacturing expansions in the state, thereby diversifying export channels, and reducing single-market vulnerabilities. This dual strategy—fortifying defenses against adversaries while deepening alliances—directly addresses the PRC's institutionalization of trade retaliation frameworks, as highlighted in national assessments.

2. Securing the Homeland

The Pillen administration has operationalized statutory tools from LB 644 and LB 1301 to counter transnational threats, including those from the PRC's malign influence operations. National intelligence warns that "Beijing will continue to expand its coercive and subversive malign influence activities to weaken the United States internally," using AI-generated disinformation to exploit domestic divisions and suppress critics abroad. These efforts, including transnational repression against dissidents, journalists, and minorities, pose direct risks to Nebraska's communities and educational institutions. Key measures include:

- The Foreign Adversary and Terrorist Agent Registration Act, which mandates registration for agents of hostile regimes engaging in political activities, enabling early detection of influence campaigns.
- The Crush Transnational Repression in Nebraska Act, which has facilitated initial state-federal collaborations to investigate harassment tied to foreign governments.

The administration is also focused on the resiliency and emergency preparedness of state government as our own contribution to national preparedness. In late 2024 the administration completed Nebraska's first comprehensive review of all state government procurements and assessed state suppliers for vulnerability to disruption from conflict or coercion in the Indo-Pacific region. Led by the Department of Administrative Services (DAS) Materiel Division, the assessment identified contracts involving critical components, software, hardware, or services sourced from or routed through the PRC and other designated adversarial nations. To mitigate these risks, DAS has implemented procurement

rules that prohibit the award of state contracts to entities domiciled in China, Russia, Iran, North Korea, Cuba, or Venezuela, or any firm owned or controlled by those governments.

The Nebraska Military Department also plays a direct role in securing our homeland through emergency response and integrated support of the active military component. That support includes the core mission of the 155th Air Refueling Wing, operating KC 135s as a key force enabler for power projection and strategic deterrence. Also supported by the Nebraska National Guard is the National Airborne Operations Center, a premier airborne communications platform, that directly supports the National Command Authority as the most survivable element of the National Military Command System.

The Nebraska National Guard is also expanding its influence into the Pacific Theater through a partnership with the Marshall Islands. The National Guard State Partnership Program is a U.S. Department of Defense initiative administered by the National Guard Bureau that pairs U.S. State Guard elements with security forces in partner nations to foster training and interoperability. Nebraska's partnership with the Marshall Islands will give the Nebraska National Guard a direct role in enhancing the security preparedness of our allies in the Pacific Theater.

3. Cybersecurity and Protection of State Digital Infrastructure

The PRC continues to present the most active and persistent cyber threat to U.S. government and critical infrastructure networks. The 2025 and 2026 ODNI Annual Threat Assessments highlight ongoing PRC prepositioning campaigns (Volt Typhoon, Salt Typhoon, and related operations) designed to enable disruptive or destructive attacks during a crisis or conflict. Nebraska's agricultural supply chain, rural electric cooperatives, water systems, and state government networks are within the scope of these threats.

Against these threats the administration's 2024 executive orders provide foundational defenses:

- Executive Order 24-01 prohibits Huawei and other high-risk telecommunications equipment, achieving full compliance across state systems by mid-2025 and extending to overseen grant recipients.
- Executive Order 24-02 bans specified high-risk applications on state devices and networks, updated in 2025 to cover contractor-connected systems.

Under the Pillen administration, the Office of the Chief Information Officer (OCIO) has advanced cybersecurity through the Nebraska Statewide Cybersecurity Strategic Plan (approved February 2023), which emphasizes risk and threat strategies, strategic stakeholder engagement, and implementation of cyber governance and planning across

state, county, and local levels. This plan aligns with the State and Local Cybersecurity Grant Program (SLCGP), providing dedicated funding to address risks to data, networks, and information systems for state and local governments, including rural areas and communities. Key operational steps implemented in 2026 include:

- **Multi-Factor Authentication (MFA) Mandates and Training:** The administration has expanded requirements for phishing-resistant MFA across state systems, integrated into daily cybersecurity awareness programs for state employees. These efforts are supported by online training modules assignable to all state teammates, focusing on secure access to shared IT solutions.
- **Critical Infrastructure Partnerships and Grant-Funded Resilience:** Through SLCGP subrecipient applications and awards, the OCIO coordinates with local governments and utilities (e.g., Nebraska Public Power District and rural cooperatives) to extend cybersecurity visibility and planning. This includes strategic investments in backup systems and data protection strategies, ensuring resilience for agriculture-related infrastructure without supplanting existing funds.
- **Governance and Reporting Enhancements:** Annual progress updates to the Nebraska Information Technology Commission (NITC) and Technical Panel track enterprise-wide cybersecurity metrics, including compliance with records management rules and integration with federal guidelines. The Chief Cybersecurity and Privacy Officer lead quarterly reviews, incorporating stakeholder input to refine threat response protocols.
- **Awareness and Education Initiatives:** The OCIO's Cyber Education program delivers targeted training for state employees, educators, and school administrators, emphasizing personal and professional cybersecurity practices. This includes resources on backup strategies and interaction with technology to mitigate risks in classrooms and beyond.

These initiatives, funded via state appropriations and SLCGP grants, build on the 2024 executive orders prohibiting high-risk equipment and applications, ensuring Nebraska's digital infrastructure remains fortified against evolving threats. Full maturity of the statewide plan is targeted for ongoing implementation through 2027.

The administration's efforts to strengthen Nebraska's cyber preparedness have also extended beyond the State's network, with resources deployed for training and preparedness of critical infrastructure and other political subdivisions. The Nebraska National Guard and Nebraska Emergency Management Agency conducted the largest agro-defense and hybrid-threat exercises to date in 2025. Cyber Tatanka supports Nebraska by

enhancing local and regional cyber defense capabilities, fostering cross-sector collaboration, strengthening international partnerships, and contributing to statewide incident response preparedness. Through realistic scenario-based training, National Guard cyber units, state agencies, utilities, banks, and other critical infrastructure supporting agencies come together to test their defenses and responses to cyber threats.

Priorities for the Future

While Nebraskans should feel confident and justifiably proud of our nation leading contributions to national defense, more work remains. We know that securing our nation requires that we remain one step ahead of our adversaries. Key priorities in the coming year include:

- Strengthening partnerships with the federal government and improving operational processes for investigating foreign ownership of agricultural land.
- Expanding enforcement capacity with respect to electronic systems originating from adversarial nations within critical systems and infrastructure.
- Continued scrutiny with respect to the State's investments in industries domiciled in adversarial nations.
- Working with agencies to identify alternative sourcing of state contracts that would be jeopardized by a Pacific conflict.

Committee on Pacific Conflict

Going forward, the administration values the continued partnership and insights from the Committee on Pacific Conflict. In 2025 the Committee made the following nonconfidential findings:

State Investments

State leaders must strategically evaluate future geographic, business, and market investments with a deliberate focus on long-term risk mitigation while preserving legitimate economic opportunity. Informed, case-by-case decision-making is essential.

Manufacturing

It is critical that state and federal policy encourage the onshoring of manufacturing for critical assets and provide companies with sufficient regulatory and tax certainty to confidently invest in the United States.

Agriculture

Agriculture remains a highly vulnerable and attractive target for both cyber and physical attack (agro-terrorism). Policymakers should evaluate removal of the current CFIUS exemption for agricultural land transactions, shift from reactive to proactive enforcement models, and address resource constraints that limit timely investigation and enforcement of foreign-ownership restrictions.

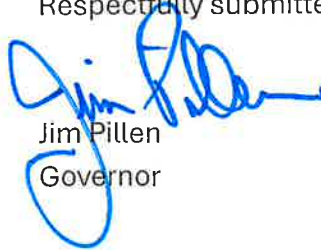
Public Power

Nebraska's public power entities maintain robust compliance with NERC CIP and other federal/state security standards. Continued annual resiliency exercises, close coordination with federal and state partners, ongoing cyber vigilance, and strict bifurcation of operational technology (OT) systems from public-facing IT networks are essential to protecting the state's energy grid from foreign adversarial disruption.

Conclusion

Through landmark legislation, rigorous enforcement, procurement reform, and strategic alliance-building, the Pillen administration has established Nebraska as a national leader in protecting agricultural assets, securing the homeland, and defending state digital infrastructure against foreign adversarial threats. These efforts will continue to evolve in response to the changing environment

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Jim Pillen", is written over the printed name and title.

Jim Pillen
Governor