

THE NEBRASKA LEGISLATURE'S  
WEEKLY NEWS PUBLICATION

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# UPDATE

## Cities could seek voter approval for sales tax increases

Cities could implement a half-percent sales tax increase with voter approval under a bill discussed in a Revenue Committee hearing Feb. 16.

Currently, cities can levy a one and one-half percent sales tax. LB956, introduced by Omaha Sen. Brad Ashford, would allow cities to collect an additional half-percent sales tax if approved by a public vote. Cities wishing to levy the tax must be a member of an interlocal agreement with either a county or school district. Ashford named the proposal one of his priority bills this session.



Sen. Brad Ashford

"We are granting to our fellow taxpayers in cities an opportunity to actively engage in the process of governance," Ashford said. "They will have the opportunity to vote on a revenue-raising initiative to fund needed projects."

Ashford said requiring the cities to be members of an interlocal agreement fosters collaboration. He said

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## Pipeline study continuation, land rehab proposed



Sen. Jim Smith introduces LB1161 to the Revenue Committee Feb. 16.

The Natural Resources Committee heard testimony Feb. 16 on two bills related to oil pipeline routing and construction in Nebraska.

LB1161, sponsored by Omaha Sen. Jim Smith, would make changes to law enacted during a November special session called by Gov. Dave Heineman to regulate oil pipeline routing in Nebraska.

Concern over the state's lack of oil pipeline regulation was sparked by TransCanada's proposed Keystone XL pipeline, which is intended to carry crude oil from Canada to Gulf Coast oil refineries.

Lawmakers passed LB4 during the special session, authorizing the state Department of Environmental Qual-

ity (DEQ) to collaborate with a federal agency or agencies in a review under the National Environmental Policy Act involving a supplemental environmental impact statement (EIS) for oil pipeline projects within, through or across the state.

The bill also specified that Nebraska would fully fund the state portion of the process and the preparation of the supplemental EIS, to avoid any appearance of impropriety.

Smith said LB1161 was introduced in response to action taken at the federal level since the November special session. TransCanada's permit application for the Keystone XL pipeline was denied by President Barack Obama, citing insufficient time to study the

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## Pipeline study continuation, land rehab proposed

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environmental impact, Smith said.

“Unfortunately, we could not anticipate the actions that occurred at the federal level that have jeopardized our work,” Smith said.

Smith proposed an amendment to LB1161 that would broaden language regarding DEQ’s authority for studying proposed pipeline routes. As amended, the bill would allow a DEQ study to determine the route of an oil pipeline within, through or across the state to be included in an application to a federal agency or agencies.

Smith said the amendment would uphold the spirit of the agreement made during the special session because TransCanada intends to reapply for a permit to construct Keystone XL.

“This [bill] would make certain that Nebraska has provided the very best information on alternative routes,” he said.

The proposed amendment also would change the effective date of the Major Oil Pipeline Siting Act, passed as LB1 during the November special session.

Under the act, the Public Service Commission (PSC) is responsible for evaluating and approving pipeline siting applications, as well as holding public hearings to gather citizen input. In addition, an approved application is required prior to a company being granted eminent domain rights.

Under Smith’s proposed amendment to LB1161, the Major Oil Pipeline Siting Act would apply only to applications received after Jan. 1, 2013.

Robert Jones of TransCanada testified in favor of the proposed amendment, saying the company intends to refile for a permit for the Keystone XL and would like to proceed in the same manner agreed to during the special

session.

“We need a process to make sure we can fulfill our commitment,” he said.

Mike Linder, executive director of DEQ, also testified in support of the bill. When the presidential permit for the Keystone XL pipeline was denied, the U.S. Department of State stopped working with Nebraska on the supplemental EIS, he said.

Linder said LB1161 and the proposed amendment would allow DEQ to continue its evaluation of an alternative route for the Keystone XL pipeline through Nebraska.

“The department has been unable to complete the task given us by the Legislature,” he said.

Ken Winston of the Nebraska Chapter of the Sierra Club testified in opposition, saying Smith’s proposals constituted “the unilateral repudiation” of the agreement reached by all interested parties during the special session.

“TransCanada now wants a special law passed to accommodate them since their application was denied,” Winston said.

Randy Thompson of Martell agreed, saying no valid reason exists for changing the laws passed in November.

“I think we’re getting on a very slippery slope when our lawmakers start reshaping and changing our existing laws just for the benefit of one company,” he said.

Ben Gotschall, energy director for Bold Nebraska, also testified in opposition to the bill. There is no pending pipeline permit, he said, so the conditions that prompted passage of LB4 during the special session no longer exist.

“If we start doing political favors for TransCanada now, where does it stop?” he asked.

A second bill, LB845, was intro-



Sen. Kate Sullivan introduces LB845.

duced by Cedar Rapids Sen. Kate Sullivan and would address reclamation requirements following oil pipeline construction.

The bill would amend the Oil Pipeline Reclamation Act and require that:

- genetically appropriate and locally adapted native plant materials and seeds be used based on site characteristics and vegetation as determined by a preconstruction site inventory;
- final grading, topsoil replacement, installation of erosion control structures, seeding and mulching be completed within 30 days of backfill except when weather conditions, extenuating circumstances or unforeseen developments prevent it;
- all reclamation including choice of seed mixes, method of reseeding, weed and erosion control measures and monitoring be conducted in accordance with the Federal Seed Act, the Nebraska Seed Law and the Noxious Weed Control Act; and
- all seed mixes be state-certified seeds in accordance with the Nebraska Seed Law and mulch

## Pipeline proposals

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be installed as required by site contours, seeding methods and weather conditions or when requested by a landowner.

Sullivan said the bill's provisions are based on reclamation requirements in Montana and South Dakota and reflect practices already used by large oil companies.

Dean Edson, executive director of the Nebraska Association of Resources Districts, testified in support of the bill, saying it is critical to protect the state's natural resources from the disruptions caused by pipeline construction.

"This is something all landowners can and should reasonably expect," he said.

No opposition testimony was given on LB825 and the committee took no immediate action on either bill. ■

## Cities could seek voter approval for sales tax increases

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there would be a 10-year sunset on the initiative, after which a city would have to bring a new vote to the people.

Ashford said the bill currently has no restrictions on how the revenue raised by the sales tax could be spent, but he said he was willing to amend the bill if necessary.

Lincoln Mayor Chris Beutler testified in support of the bill, saying it offers flexibility to communities still rebounding from the economic downturn.

"This gives local voters an ability to relieve pressure on property taxes while allowing them to support what they deem to be important services," Beutler said. "We think voters would be pleased to have the flexibility to make this decision."

Representatives from smaller com-

munities also testified in support of the bill. York Mayor Chuck Harris said the revenue raised by an additional sales tax could be used to decrease water fees in his community.

"This bill would allow us to stabilize what we pay for water," Harris said. "It affects every single household and business in York."

Rod Storm, Blair city administrator, said giving voters the option to raise revenue is important to cities regardless of size.

"The ability to have the local community option tax is important for every community, big or small," Storm said.

No one testified in opposition to the bill and the committee took no immediate action. ■

## UNICAMERAL YOUTH LEGISLATURE



High school students who want to learn what it's like to be a senator in the Nebraska Legislature are encouraged to register for the 2012 Unicameral Youth Legislature, which will convene June 10-13.

The Unicameral Youth Legislature is a four-day legislative simulation conducted at the State Capitol Building and coordinated by the Clerk's Office of the Nebraska Legislature. Student senators will sponsor bills, conduct committee hearings, debate legislation and discover the unique process of the nation's only unicameral.

Students will learn about the inner workings of the Legislature directly from senators, staff and lobbyists. Bills will be based on legislation

considered during the current legislative session.

Early-bird registration is available until April 1. Registration forms can be obtained from the Legislature's Unicameral Youth Legislature page: [www.nebraskalegislature.gov/education/unicamyouth.php](http://www.nebraskalegislature.gov/education/unicamyouth.php) and the UNL Big Red Summer Academic Camps website: [liferaydemo.unl.edu/web/4hcamps/bigredcamps](http://liferaydemo.unl.edu/web/4hcamps/bigredcamps).

The registration deadline is May 15.

The Unicameral Youth Legislature is organized by University of Nebraska 4-H and has been supported by AmeriCorp VISTA, the Nebraska Cooperative Extension and the Southeast Research and Extension Center.

## Agriculture

### Bill would increase access to healthful food

People living in underserved communities would have greater access to healthful, affordable food under a bill discussed in an Agriculture Committee hearing Feb. 14.

LB1123, introduced by Omaha Sen. Brenda Council, would provide funds dedicated to developing easily accessible sources of healthful food in areas designated as food deserts by the U.S. Department of Agriculture. These areas are characterized by limited access to healthful food retailers and are located in either high-poverty or low-income neighborhoods.



Sen. Brenda Council

“We must address the existence of food deserts in the state,” Council said. “We need to take steps to ameliorate the problem as much as we can.”

The bill would designate \$300,000 to finance healthful food initiatives. To access the funds, organizations would file an application with the Rural Development Commission. Eligible projects would include:

- new construction of retail grocery structures;
- grocery store renovations, expansions and infrastructure upgrades;
- establishment of farmers’ markets, food consumer cooperatives, community gardening projects, mobile markets and delivery projects; and
- other projects that create or improve healthful food outlets.

Mary Balluff, division chief of community health and nutrition at the Douglas County Health Depart-

ment, testified in support of the bill, saying that providing broader access to healthful food is a proven method of fighting many common obesity-related diseases.

“These practices improve health as it relates to obesity and its related diseases,” Balluff said. “The monetary investment to change the behaviors of store owners and consumers is minimal.”

John Hansen, Nebraska Farmers Union president, also testified in support. He said the bill would help producers as well as consumers.

“There is a lot of need even in the heart of very productive agricultural communities,” Hansen said. “This provides the opportunity for new, diversified markets.”

No one testified in opposition to the bill and the committee took no immediate action.

## Banking, Commerce & Insurance

### Fraudulent lien bill discussed

The Banking, Commerce and Insurance Committee heard testimony Feb. 13 on a bill directed at fraudulent lien filers.

Under LB982, introduced by Omaha Sen. Burke Harr on behalf of the Nebraska Secretary of State, would change the powers of the secretary of state’s office regarding removal of fraudulent or suspect financing statements.



Sen. Burke Harr

Under the bill, if the secretary of state receives a complaint or has reason to believe that a financing statement

or other record filed with the office under the Uniform Commercial Code is fraudulent or otherwise improper, the secretary of state may remove the filing from existing files after giving notice and an opportunity to respond to the secured party and the debtor.

In addition, an individual affected by a fraudulent statement would be allowed to recover damages from the person responsible for the fraudulent statement.

Harr said the secretary of state is in the best position to determine whether or not a lien filing is legitimate.

“They are on the front line ... they are the ones who see it,” he said. “The office knows when it sees a fraudulent [lien].”

Secretary of State John Gale testified in support of the bill, saying 16 states have enacted similar legislation. Most filers are legitimate, he said, but a small percentage of individuals use the lien system as a tool for harassment.

Gale said that allowing his office to remove suspect filings would protect an individual’s property who is targeted by a fraudulent lien. Currently, victims of fraudulent lien filings must go through the courts to try and clear their names, he said.

“We’re asking for a post-filing administrative remedy,” Gale said. “If [lien filers] want to sue us, they can sue us, but at least the burden is not on the victim.”

Katie Zulkoski, testifying on behalf of the Nebraska State Bar Association, opposed the bill. She said the bill lacks recourse for individuals whose legitimate filings may be removed by the secretary of state’s office as fraudulent.

Robert Hallstrom of the Nebraska Bankers Association testified in a neutral capacity. He said the association has been trying for years to balance the interests of controlling fraudulent

lien filings with legitimate filer's concerns that their liens not be removed unjustly.

"We could never come to a suitable solution," Hallstrom said.

The committee took no immediate action on the bill.

**Bill would clarify regulation of ancillary auto products**

The Banking, Commerce and Insurance Committee heard testimony Feb. 13 on a bill meant to clarify the regulatory framework for motor vehicle ancillary product contracts.

LB1054, introduced by Omaha Sen. Beau McCoy, would specify that service contracts for ancillary motor vehicle products are not insurance and not otherwise subject to the state's insurance code.



Sen. Beau McCoy

The bill defines ancillary products as a protective chemical, substance, device, system or service installed on or applied to a motor vehicle, which is designed to prevent loss or damage from a specific cause.

Such products would include, but not be limited to:

- additives;
- alarm systems;
- steering locks;
- fuel and ignition kill switches;
- part marketing products; and
- electronic, radio and satellite tracking devices.

McCoy said ancillary products are very popular with consumers and that the bill would provide regulatory certainty regarding such products.

"It's my hope ... that at least this provides some measure of a record to say what is an insurance product and what is not," he said.

Korby Gilbertson, representing the Motor Vehicular Ancillary Products Association, testified in support of the bill. She said the state Department of Insurance currently does not regulate ancillary products and has no interest in doing so.

No opposition testimony was given and the committee took no immediate action on the bill.

**Education**

**Non-equalized school districts would be exempt from spending limits**

School districts that currently do not qualify for state equalization aid would have more spending flexibility under a bill discussed in an Education Committee hearing Feb. 13.

LB1156, introduced by Holdrege Sen. Tom Carlson, would allow non-equalized schools more local control over spending decisions. Carlson said non-equalized schools are fully funded by local property taxes, which he said already are too high.



Sen. Tom Carlson

"The number of districts that are becoming non-equalized is a serious matter," Carlson said. "We need to have more flexibility in what we spend on education."

Nancy Fulton, Nebraska State Education Association president, testified in support of the bill, saying that asking landowners to fully fund school districts is unfair.

"Public school funding should not fall disproportionately on the backs of landowners," Fulton said.

No one testified in opposition and the committee took no immediate action.

**Executive Board**

**Extension of legislative oversight committee approved**

Senators voted Feb. 16 to reauthorize legislative oversight of the Beatrice State Developmental Center (BSDC) until Jan. 2, 2013.

LR365, sponsored by Omaha Sen. Steve Lathrop, provides for continuation of the Developmental Disabilities Special Investigative Committee, which was established four years ago in response to problems at BSDC and was extended in 2009 and 2011.



Sen. Steve Lathrop

In 2008, the facility was the subject of a federal Department of Justice (DOJ) report that found serious violations of residents' civil rights, Lathrop said. BSDC subsequently was decertified by the Centers for Medicare and Medicaid Services.

Lathrop said the oversight committee needs one more year to ensure that all components of BSDC are recertified and to continue monitoring the state's compliance with DOJ requirements stemming from the 2008 report.

The Health and Human Services Committee currently is focused on addressing child welfare reform, he said, and more time is needed to transition jurisdiction of the BSDC oversight committee back to them.

"Their plate is full," Lathrop said.

Lincoln Sen. Kathy Campbell, chairperson of the Health and Human Services Committee, supported the resolution, saying the oversight committee's expertise is important to seeing BSDC regain full certification.

The resolution was adopted on a 40-0 vote.

## General Affairs

### Sunday morning spirit sales advance

Lawmakers advanced a bill from general file Feb. 14 that would remove the current prohibition on selling and dispensing alcoholic liquor in Nebraska on Sundays between 6 a.m. and noon.

Bellevue Sen. Abbie Cornett, sponsor of LB861, said the bill would reduce the need to issue special permits for alcohol to be served at Sunday events, including Mother’s Day and Father’s Day events and brunches.



Sen. Abbie Cornett

Sen. Russ Karpisek of Wilber supported the bill, saying existing local ordinances that restrict sales could remain in place under the proposal.

“There still are city ordinances that govern [Sunday sales],” Karpisek said.

The bill advanced to select file on a 30-0 vote.

## Government, Military & Veterans Affairs

### Petition circulator bill advances

Lawmakers gave first-round approval Feb. 14 to a bill that would require that petition circulators be 18 years of age or older.

LB759, introduced by Lincoln Sen. Bill Avery, would remove a requirement that a circulator be an



Sen. Bill Avery

elector of the state and instead require that a circulator be 18 years or age or older.

Avery said the definition of an elector includes a residency provision, which recently was held to be unconstitutional.

A Government, Military and Veterans Affairs Committee amendment, adopted 27-0, removed an additional provision from the bill that would have required the sponsor or principal circulator of a petition to provide each circulator with identification containing a unique number.

Avery said the ID provision was opposed in committee and was removed in order to ensure that Nebraska’s petition regulations are in place for the 2012 general.

LB759 advanced to select file on a 34-0 vote.

### Bills propose changes to state contracting process

The Government, Military and Veterans Affairs Committee heard testimony Feb. 13 on four bills intended to improve the process of contracting for state services. The measures resulted from concern over contracting practices undertaken during the state Department of Health and Human Services (DHHS) reform of the child welfare system

Omaha Sen. Bob Krist introduced LB765 and LB1159. He said the bills would reflect best practices in contract administration.



Sen. Bob Krist

“We have a broken contracting system in health and human services and we need to fix it,” he said.

LB765 would require the DHHS director to conduct a cost-benefit analysis of any contract with direct providers val-

ued at more than \$25 million to provide individuals with medical, behavioral or developmental health services, child care or child welfare services.

LB1159 would create additional accountability for personal services contracts valued at more than \$25 million.

Among other provisions, LB1159 would require that contracting officers with the state Department of Administrative Services (DAS) handle all service contracts valued at more than \$25 million. Contracts valued below \$25 million could be handled by individual state agencies.

The bill would require that DAS establish training requirements for contracting officers and guidelines for a proof-of-need analysis for contracts over \$25 million.

Among other the provisions, the analysis would be required to include:

- alternatives considered;
- a process outlining quality control mechanisms; and
- a review of any long-term actual cost savings expected from the contract.

In addition, LB1159 would repeal existing law that requires agencies to undertake additional steps in the service contract process if a proposed contract is expected to replace state workers.

LB858, introduced by Lincoln Sen. Bill Avery, also would apply to contracts valued at more than \$25 million. The bill would require an agency to submit a copy of a proposed contract and a proof-of-need analysis to DAS, which would certify a submitted analysis as complete before an agency could proceed with contracting services.

The bill also would allow an exemption for competitive bidding and other provisions of personal service contracts if the value of a contract were less than \$25 million.

“LB858 would ensure adequate accountability and sound contracting

practices,” Avery said.

Finally, LB792, introduced by Omaha Sen. Heath Mello, would clarify that Nebraska law dealing with personal services contracts is applicable regardless of whether any state employee is displaced by such a contract.



Sen. Heath Mello

Jule Dake Able, executive director of the Nebraska Association of Public Employees, testified in support of LB765, LB1159 and LB792. She said all three bills demonstrate the importance of engaging in cost-benefit analysis prior to the implementation of contracts that use taxpayer dollars.

Scottsbluff Sen. John Harms testified in support of LB858.

Harms said the bill addressed concerns outlined by the Legislative Performance Audit Committee - on which he serves as chairperson - regarding personal service contracts. He said the state should not enter into a contract without obtaining a detailed analysis of its financial implications.

DAS director Carlos Castillo testified in a neutral capacity on LB858, saying the department is willing to work with Avery to improve the state's current personal service contract process.

No one testified in opposition to any of the proposals and the committee took no immediate action on the bills.

**Unclaimed military medal bill discussed**

The Government, Military and Veterans Affairs Committee heard testimony Feb. 15 on a bill meant to address the handling of unclaimed military medals.

Under LB819 as introduced, any unclaimed military medal, decoration or award removed from a safe deposit

or collateral deposit box in Nebraska would be delivered to the state treasurer's office.

Bellevue Sen. Scott Price, sponsor of bill, said his great-uncle's World War II medals nearly ended up in a landfill following his death.



Sen. Scott Price

“To think that that could happen is why I'm bringing the bill to you today,” he said. “These artifacts have an intrinsic value much greater than the materials they are made of.”

Price said he would offer an amendment to allow the treasurer's office to make a veteran's organization or other entity the custodian of any unclaimed medals after 10 years.

Greg Holloway, representing the Disabled American Veterans and the Nebraska Veteran's Council, supported the bill.

“There are many veteran's organizations ... within the state that would be more than glad to be the stewards for these awards and decorations,” he said.

Jerry Stilmock of the Nebraska Bankers Association also testified in support of the bill, saying service medals are unique property.

“[This bill] allows us to recognize the special nature of those medals and preserve them,” he said.

No one testified in opposition and the committee took no immediate action on the bill.

**Health & Human Services**

**Genetic counseling licensure bill advances**

Lawmakers gave first-round approval Feb. 15 to a bill that would

provide a formal licensure process for genetic counselors.

Under LB831, introduced by Omaha Sen. Gwen Howard, a genetic counselor who has satisfied the training and certification requirements of the American Board of Genetic Counseling could apply for licensure.



Sen. Gwen Howard

Howard said genetic counseling currently is unregulated in Nebraska. To qualify for certification under the bill, counselors must have a master's degree, engage in supervised training, sit for a national exam and participate in continuing education, she said.

“Genetic counselors are asking the state of Nebraska to hold them to standards,” Howard said.

Omaha Sen. Bob Krist offered an amendment, adopted 29-0, which would prohibit a genetic counselor from being required to counsel or refer a patient with respect to abortion.

Krist said the amendment was necessary to ensure that genetic counselors are not required to discuss options for terminating a pregnancy if their conscience prohibits them from doing so.

LB831 advanced to select file on a 25-0 vote.

**Purchasing flexibility proposed for county hospitals**

The state's 26 county hospitals would have more flexibility in making major purchases under a bill discussed during a Health and Human Services Committee hearing Feb. 13.

LB995, introduced by Elk Creek Sen. Lavon Heidemann, would au-



Sen. Lavon Heidemann

thorize county hospitals to operate in a manner similar to their peer hospitals. Heidemann said he introduced the bill to foster healthy competition.

“There is a lot of uncertainty with the federal healthcare mandate,” Heidemann said. “It’s necessary for county hospitals to remain competitive with their peers.”

The bill would allow county hospitals to:

- encumber hospital property;
- obtain a line of credit or borrow money;
- make improvements and additions to facilities with county board approval;
- participate in group purchasing organizations for large items; and
- open clinics in communities outside of their jurisdiction.

County board approval would be necessary for any projects costing more than 50 percent of the replacement cost of the facility. Use of general bonds to fund new projects would require a public vote.

Marty Fattig, Nemaha County Hospital CEO, testified in support of the bill, saying that local control of county hospitals is necessary to remain competitive.

“Since hospitals are owned by the county, they should be operated by the county,” Fattig said. “We need to be able to compete on an equal level with other facilities.”

No one testified in opposition to the bill and the committee took no immediate action.

**Food assistance income eligibility change sought**

The Health and Human Services Committee heard testimony Feb. 15 on a bill that would increase the gross income eligibility limit of the

Supplemental Nutrition Assistance Program (SNAP) to 185 percent of the federal poverty level as allowed under federal law.

Omaha Sen. Jeremy Nordquist, sponsor of LB1010, said it would not increase the net income eligibility, which currently is set at 100 percent of the federal poverty level. Instead, the bill would increase the gross income limit from 130 percent to 185 percent.



Sen. Jeremy Nordquist

Nordquist said the change would allow families to deduct qualifying expenses – such as child care and medical expenses – prior to an income eligibility determination. Current guidelines do not encourage long-term economic sustainability, he said, because very small fluctuations in income can lead to an abrupt end to a family’s social safety net.

“Ignoring poverty doesn’t make it go away,” he said.

Single mother Kathryn Oltrogge testified in support of the bill, saying her full-time job would leave her \$17 a week to live on without the benefits she receives from public assistance. While the programs are beneficial, she said, they also can be a disincentive to career advancement.

For example, Oltrogge said, she recently did not apply for a management position because the raise would have increased her salary to \$1,000 a year over the income limit to qualify for SNAP.

Ericka Smrcka of Food Bank for the Heartland also supported the bill. She said one in six children in Nebraska lives in a food insecure household and that 17 counties have no local food pantry. Finding a way for more families to qualify for SNAP

is essential, she said.

“We know that we cannot just meet the needs through pantries,” Smrcka said.

Scot Adams, DHHS director of the division of children and family services, opposed the bill. In written testimony provided to the committee, Adams stated that approximately 4,275 Nebraska households would become eligible for SNAP benefits under LB1010, resulting in an increased cost to DHHS of \$1.8 million.

The committee took no immediate action on the bill.

**Wage subsidy program for aid recipients proposed**

The Health and Human Services Committee heard testimony Feb. 15 on a bill that would create a wage subsidy program using untapped funds from the Temporary Assistance to Needy Families (TANF) program. The program is known in Nebraska as Aid to Dependent Children (ADC).

LB1136, sponsored by Omaha Sen. Heath Mello, would require the state Department of Health and Human Services (DHHS) to establish a wage subsidy program to aid employers in developing work placements for ADC recipients.

The bill would be funded by an appropriation of \$1 million in fiscal year 2012-13 and \$1 million in FY2013-14 from the state’s TANF “rainy day” fund. Mello said the fund currently has a balance of approximately \$16 million.

He said 39 other states have established similar programs, which are authorized by the federal government to develop partnerships between nonprofit employment agencies and employers to hire public assistance recipients.

“ADC recipients would obtain job



skills and gain access to meaningful employment," he said.

Mello said the program would provide valuable job experience for approximately 250 low-income Nebraskans by subsidizing a portion of their initial wages based on the following scale:

- 100 percent in the first two months;
- 75 percent in month three;
- 50 percent in months four and five; and
- 25 percent in month six.

The program would terminate on July 1, 2014.

Laura Baker, an ADC recipient, testified in support of the bill, saying the program would help motivate recipients to pursue employment opportunities and become self-sufficient.

"I am goal oriented and ready to do for myself," she said.

Kate Bolz of Nebraska Appleseed also supported the bill. She said 65 percent of ADC recipients are under age 30 and have uneven work histories, which can make it difficult to find employment.

Scot Adams, DHHS director of the division of children and family services, opposed the bill. In written testimony provided to the committee, Adams stated that authorizing a wage subsidy program that may not have funds available in the future would create a false expectation among ADC recipients.

The committee took no immediate action on the bill.

## Judiciary

### Penalty for contraband in detention facilities vetoed

On Feb. 13, the governor vetoed a bill passed by the Legislature that would create an offense for bringing

prohibited items into a detention facility.

LB415, introduced by Cortland Sen. Norm Wallman, would make it a Class I misdemeanor to bring prohibited items into a detention facility, provide them to an inmate or for an inmate to possess them.



Sen. Norm Wallman

In his veto message, Gov. Dave Heineman wrote that the introducer of the bill seeks additional time to further review the issue, though the governor said he supports the intent of the bill.

The Legislature had passed the bill on a 45-0 vote Feb 7. Wallman has not yet filed any motion on the bill.

### Transfer of death deed advances

Senators advanced a bill from select file Feb. 15 that would provide an asset specific mechanism for the nonprobate transfer of land.

LB536, introduced by Lexington Sen. John Wightman, would permit those with interests in real property to enable the owner to pass the property to a beneficiary on the owner's death simply, directly and without probate.



Sen. John Wightman

Wightman introduced an amendment, adopted 32-0, that would require a transferor to sign a document under oath and in the presence of two disinterested witnesses affirming that he or she is not a minor and is of sound mind and that the transfer is voluntary.

If the transferred property is agricultural land, a transferor could designate in the deed the disposition

of his or her interest in growing crops to the estate or to one or more of the designated beneficiaries. If a deed does not contain a crop designation, a transferor's interest in the growing crops would pass to the estate.

Wightman said the intent of the amendment was to address the concerns raised on general file about the exercise of undue influence upon the transfer of death deed and authority over an estate's agricultural interests.

Omaha Sen. Burke Harr offered an amendment, originally introduced as LB818, that would make property deeds tax exempt if they are between spouse and ex-spouse or between parent and child.

Many counties currently are doing this, Harr said, so the amendment would provide more clarity for such a practice.

The Harr amendment was adopted on a 31-0 vote.

The technical amendment was adopted 29-0 and the bill advanced from select file on a voice vote.

### Enhanced penalties for assaults on health care professionals advanced

Senators advanced a bill Feb. 15 that would enhance penalties for assaulting health care professionals.

Under the original provisions of LB677, introduced by Omaha Sen. Steve Lathrop, a person who is convicted of assault on a health care professional while the health care provider is engaged in his or her official duties, would serve a mandatory minimum sentence of:



Sen. Steve Lathrop

- six months imprisonment for third degree assault;

- one year imprisonment for second degree assault; or
- two years imprisonment for first degree assault.

Lathrop introduced an amendment that replaced the original provisions of the bill and instead would provide enhanced penalties for assault on health care professionals on duty at a hospital or a health clinic. A person convicted of such an assault would be guilty of a felony.

Lathrop said that requiring mandatory prison sentences for assaults raised some concerns on general file that the bill would override judges' sentencing discretion.

"This is a better approach to dealing with assaults on health care professionals," he said.

The amendment was adopted 39-0 and the bill advanced from select file on a voice vote.

**Bills would move AG's environmental settlement fund**

The Judiciary Committee heard testimony Feb. 15 on two bills that would change the distribution of funds received from certain out-of-court settlements, court orders or judgments.

Under LB728, introduced by Omaha Sen. Heath Mello, Supplemental Environmental Project (SEP) funds received by the attorney general's office from settlements and payments for violations of Nebraska environmental laws instead would be remitted to the state treasurer for distribution exclusively for the use and support of schools.

The bill also would require that the Legislature be able to review the funds



Sen. Heath Mello

and appropriate them for allowable legal purposes.

Mello said he learned of the SEP funds when the attorney general's office announced via a December 2011 press release that \$100,000 from the fund was being awarded to a group called We Support Agriculture. Based on information gathered by state offices, Mello said, the SEP fund does not exist in statute and was created without legislative approval.

"For many Nebraskans, [that announcement] was the first we had learned of this fund's very existence," Mello said. "My underlying concern is that there be an unbiased, transparent procedure in place to authorize these grants."

LB777, introduced by Malcolm Sen. Ken Haar, would require that SEP funds be transferred to the Nebraska Environmental Trust Fund for distribution.



Sen. Ken Haar

Haar said that he, too, had only recently learned of the fund's existence and was troubled by the allocation.

"I do not think this process was transparent and that is what bothered me," he said.

Haar said it would make sense to direct the funds to the Nebraska Environmental Trust Fund, given that it was acquired for violations of environmental laws.

Jerry Hoffman, a representative from the Nebraska State Education Association, testified in support of LB728, saying state settlement money should be allocated to common schools to ensure they are funded adequately.

"We believe this is a significant way to help to achieve that," Hoffman said.

Ken Winston, a representative of the Sierra Club in Nebraska, testified

in support of LB777, and said he was concerned about the process used to grant the funds. The attorney general's office awarded a grant almost instantaneously to a group that had existed less than three months, Winston said, while other conservation organizations had applications pending for months with no response.

"We think that conservation projects often are unfunded or funded at lower levels than they should be," Winston said, "and if there is a fine for an environmental purpose then it should be given to the [environmental] trust."

Chief Deputy Attorney General David Cookson testified in opposition to both bills, saying the funds go through the state accounting process where they are all accounted for. Furthermore, Cookson said, statutory cases fall within the attorney general's discretion and not the Legislature's.

"The bills are asking us to do something we believe is unconstitutional," he said.

The committee took no immediate action on the bill.

**Concealed carry permit language clarification advanced**

A criminal charge would not immediately disqualify a person from receiving a concealed carry permit under a bill advanced from general file Feb. 14.

Currently, the permit application of a person with any "violations of law" can be rejected on that basis alone. LB807, introduced by Omaha Sen. Scott Lautenbaugh, would clarify the statute to refer to convictions instead of violations of law.



Sen. Scott Lautenbaugh

“This is an important matter,” Lautenbaugh said. “We don’t usually rely on charges, but on convictions.”

A Judiciary Committee amendment adding an emergency clause to the bill was adopted on a 35-0 vote.

Senators advanced the bill to select file on a 37-0 vote.

**Judicial pay increase advances**

Judges within the state court system would see a 2 percent salary increase under a bill advanced from general file Feb. 14.

LB862, introduced by Lincoln Sen. Colby Coash, would provide for an increase in salary commensurate with the increase proposed for state employees in fiscal year 2012-13.



Sen. Colby Coash

Coash said maintaining a competitive pay schedule is important for keeping quality judges.

“We have a very strong branch of government in our judiciary,” Coash said. “There is a correlation between the quality of our courts and the quality of people who preside over them.”

The pay increase applies to state Supreme Court judges. All other state judges’ salaries are based on Supreme Court salaries.

Senators voted to advance the bill to select file on a 36-0 vote.

**Bills would revise student truancy provisions**

The Judiciary Committee heard testimony Feb. 13 on three bills that would revise the state’s new student truancy provisions.

In 2010, the Legislature passed a bill requiring school districts to report cases to a county attorney when

a student has been absent at least 20 days per year, whether the absences are excused or unexcused.

LB933, introduced by Omaha Sen. Brad Ashford, would eliminate the requirement that a county attorney then file a complaint against a parent or guardian of a child who is absent more than 20 days. Instead, the bill would require a meeting between a county attorney and the student’s school to decide if further action is necessary to address his or her attendance. If further action were deemed necessary, then the school and county attorney would meet with the child’s parents.



Sen. Brad Ashford

Current reporting requirements have decreased student truancy in schools, Ashford said, but district policies are not consistent and some districts are not excusing students who are ill. The bill would ensure that schools would determine what constitutes an excused absence, he said, and also would address some parents’ concerns about consulting with county attorneys.

Under LB917, introduced by Bellevue Sen. Abbie Cornett, absences for documented illness or military deployment activities would not count towards the 20-day reporting requirements currently in statute.



Sen. Abbie Cornett

Military children who miss school to see their parents deploy have been considered unexcused from school, Cornett said, which violates the federal Interstate Compact on Educational Opportunity for Military Children that was designed to remove barriers imposed on children of military fami-

lies who move frequently.

The bill would clarify that such absences are excused in order to receive federal funding under the compact, she said.

LB1165, introduced by Lincoln Sen. Tony Fulton, would remove the requirements that county attorneys collaborate with school districts in the development of truancy policies.



Sen. Tony Fulton

Under the bill, districts would be allowed to develop written policies regarding excessive absenteeism and define truancy in relation to their own policies. If a student is absent more than five days in one quarter or 10 days per school year, the district would review the case, meet with the student’s parent or guardian and could file a report with the county attorney.

Fulton said school districts should have the authority to tailor their policies to their students’ needs prior to involving a county attorney. The bill represents an attempt to collaborate with parents while addressing excessive absenteeism, he said.

Douglas County Commissioner Mary Ann Borgeson testified in support of the bills, saying she has received many calls from concerned parents.

“[The current requirements] are very intrusive of government into the lives of our families,” Borgeson said. “They take away a parent’s right to decide what is best for their children.”

Warren Whitted, a member of the Nebraska State Bar Association, testified in support of LB933. The bill would make subtle changes that would make the process of notifying parents less intimidating, Whitted said.

Roger Breed, commissioner of the Nebraska Department of Education,

testified in opposition to the bills, saying students who were absent for more than 20 days had significantly lower test scores than their peers who had better attendance.

Furthermore, Breed said, the number of students who were truant more than 20 days in the 2010-11 school year decreased by over 15 percent.

“It is clear that the attention of school authorities, parents and county attorneys on school attendance is making a difference,” he said. “Let’s give it a couple more years to work and track the data—then students and families will be better served.”

Alicia Henderson of the Lancaster County Attorney’s Office provided neutral testimony on the bills, saying the law passed in 2010 brought well deserved attention to excessive absenteeism in schools.

“We believe at this point in time we need to let the system play out based on the law we have now,” Henderson said. “Let’s keep the status quo for at least another year to monitor the effects of the [new requirements].”

Kevin Riley, superintendent of Gretna Public Schools, also provided neutral testimony on the bills, saying county attorneys have been involved in the reporting process for 30 years. County attorneys have such large workloads that in the past it would take months before a truancy case would be addressed, Riley said, and by that time students were dropping out of school.

“What has happened with the current law is that it has forced us to work closer together [with county attorneys and parents],” Riley said, “and family advocates are reporting that attendance is improving and children are behaving better at home.”

LB933 was advanced from committee to general file on a 5-0 vote Feb. 13 and no immediate action was taken on the other bills.

### Bill would require additional training for police

The Judiciary Committee heard testimony Feb. 16 on a bill that would create additional certification and continuing education requirements for police officers.

LB1046, introduced by Omaha Sen. Burke Harr, would require law enforcement officers to take a minimum of 20 hours of criminal justice or law enforcement courses annually until they become certified. Failure to meet the requirements would result in suspension of an officer’s training diploma until his or her education is complete. An exemption would be allowed for an officer who is on active duty or if an officer can demonstrate an acceptable reason for not completing such requirements.

Harr said laws, communication and technology are constantly in flux. It is important that law enforcement officers continually are being educated, he said, so they can communicate and serve citizens effectively.

Bob Lausten, chief of police in LaVista, testified in support of the bill, saying the state currently does not require additional training after officers have graduated the police academy. Lausten said the state should enhance its minimum standards for an occupation that involves the use of weapons and making arrests.

Jeremy Kinsey, vice president of the Nebraska State Lodge, also testified in support of the bill. Police officers’ duties have significantly increased in the past 10 years to more than just peacekeepers, Kinsey said – they also must know how to take digital photographs and monitor digital crimes



Sen. Burke Harr

among many other enhanced skills. To become more qualified, he said, officers must have additional training.

The committee took no immediate action on the bill.

### Bill would revise power of attorney provisions

The Judiciary Committee heard testimony Feb. 15 on a bill that would revise power of attorney provisions.

LB1113, introduced by Norfolk Sen. Mike Flood, would provide definitions for various areas of authority that would be granted to a power of attorney agent and also would identify certain areas of authority that would be granted because of the propensity of such authority to dissipate the principal’s property or alter the principal’s estate plan.



Sen. Mike Flood

The bill also contains statutory forms that would be used by lawyers and laypersons.

According to Flood, the bill would serve as a safeguard for the protection of a principal, an agent and persons who are asked to rely on an agent’s authority.

Eric Fish, legislative counsel for the Uniform Law Commission in Chicago, testified in support of the bill, saying the current power of attorney laws are very vague and do not provide agents much guidance.

The bill would clarify the agent’s rights and expectations, Fish said, which would serve as a safeguard against elder abuse and other forms of abuse by agents.

Bill Lindsay, an attorney from Omaha, also testified in support of the bill. One of the most significant points of the bill is that it would allow a person to accept an acknowledged power of attorney that is verified before a notary

public or other individual authorized to take acknowledgments, Lindsay said.

"[The bill] would create a statutory form that would become more common in usage and would facilitate more acceptance of the power of attorney," Lindsay said.

No opposing testimony was given and the committee took no immediate action on the bill.

### Bill would create human trafficking provisions, enhance penalties

The Judiciary Committee heard testimony Feb. 16 on a bill that would create provisions for human trafficking and enhance penalties for pandering.

LB1145, introduced by Lincoln Sen. Amanda McGill, would:



Sen. Amanda McGill

- establish a commission on human trafficking;
- require training for government officials on human trafficking;
- allow victims of sex trafficking to file a motion to vacate a conviction of prostitution;
- authorize law enforcement officials to seize property obtained due to a violation of the state
- human trafficking statute, which would then be subject to forfeiture; and
- require that the National Human Trafficking Resource Center Hotline number be posted in key establishments throughout the state.

Under the bill, forcing or enticing a person into prostitution would be a Class IV felony for a first offense. If the victim is under the age of 18, it would be a Class III felony for the first and subsequent offenses.

According to McGill, the creation

of a commission on human trafficking would help the state collect more efficient data and would be a more comprehensive approach to addressing human trafficking in Nebraska.

Tom Casady, public safety director for Lincoln, testified in support of the bill. He cited a case involving a 47-year-old Lincoln man who prostituted a 16-year-old girl and served only two years for the offense.

"Something just is not right about a man being involved in human trafficking and putting a young woman into prostitution," Casady said. "There should be a more serious penalty for such a serious circumstance."

Lazaro Spindola, executive director of the state's Latino American Commission, testified in support of the bill, saying the commission receives many reports from individuals expected to exchange sex to maintain their jobs and to work for under minimum wage.

"Many people come to our commission [with complaints]," Spindola said, "but we are not in the business of conducting criminal investigations."

Judi gaiashkibos, executive director of the Nebraska Commission on Indian Affairs, also testified in support of the bill, saying these types of situations are happening to Indian women and children in Whiteclay.

"This [bill] gives Nebraska an opportunity to make the state a great place for all people to live in," gaiashkibos said.

David Baker, deputy chief of the Omaha Police Department, testified in a neutral capacity. He said the forfeiture of property seized in an investigation without due process raises some constitutional concerns.

"While we are going to go after these criminals full force, we also want to ensure that we are protecting their constitutional rights," Baker said.

The committee took no immediate action on the bill.

## Natural Resources

### Chase County would gain ownership of state historical park

The Nebraska Game and Parks Commission would give up ownership of the Champion Mill State Historical Park and Champion Lake State Recreation Area under a bill advanced from general file Feb. 14.

Under LB739, introduced by Imperial Sen. Mark Christensen, ownership would be transferred to Chase County. Christensen said this would formalize an agreement already existing between both parties.



Sen. Mark Christensen

"This would allow for local control of the historical Champion Mill," Christensen said.

Christensen said the bill would ensure the land is properly maintained by the county.

Senators voted to advance the bill on a 35-0 vote.

### Pibel Lake Recreation Area would go to NRD

The Lower Loup Natural Resources District (NRD) would gain ownership of the Pibel Lake State Recreation Area under a bill advanced from general file Feb. 16.

LB849, introduced by Cedar Rapids Sen. Kate Sullivan, would transfer ownership of the recreation area from the Game and Parks Commission to the Lower Loup Natural Resources



Sen. Kate Sullivan

District (NRD). Sullivan said the recreation area would benefit greatly under the new ownership.

“The Lower Loup NRD views [maintaining state recreation areas] as part of their mission,” Sullivan said. “They hope to bring electricity to campsites and construct access roads along with other improvements.”

Senators adopted two technical amendments 30-0 and advanced the bill to select file on a 32-0 vote.

**Natural resource districts would have refund authority**

Owners of non-irrigated land would have a mechanism to obtain a refund of occupation taxes under a bill discussed in a Natural Resources Committee hearing Feb. 15.

LB1125, introduced by Imperial Sen. Mark Christensen, would establish a procedure for landowners to receive a refund of incorrectly levied taxes.



Sen. Mark Christensen

Currently, natural resource districts with integrated management plans can levy occupation taxes on irrigated lands. Owners of non-irrigated land can have their land certified as non-irrigated by March 1 each year to receive an exemption from the tax.

Christensen cited an example of a natural resource district that implemented an occupation tax in September. He said owners of non-irrigated lands were charged the tax because the March 1 deadline had passed and they were not given significant notice regarding the certification process.

“Farmers need significant notice to certify their land,” Christensen said. “This will give farmers the right to present evidence to a natural resource

board to rectify the situation.”

Mike Clements, Lower Republican Natural Resource District manager, testified in support of the bill, saying that he would like to refund landowners’ money but currently does not have the authority to do so.

No one testified in opposition to the bill and the committee took no immediate action.

**Revenue**

**Tax certificate bill advances**

A bill that would change the process of purchasing tax deeds advanced from select file Feb. 15.

LB370, introduced by Lexington Sen. John Wightman, would eliminate the ability of county treasurers to issue tax deeds without a public sale. The ability to begin foreclosure of the tax certificate to gain ownership would not be affected.



Sen. John Wightman

Wightman introduced an amendment that he said addressed concerns raised by several senators on general file about the current notification procedure.

“I listened to discussion before and came up with this amendment,” Wightman said. “This represents a compromise.”

The amendment, adopted on a 30-0 vote, would ensure property owners have enough time and information to address past-due taxes. Before a tax deed could be purchased, the county government must:

- provide notification to the property owner on the status of his or her property and the procedure to rectify the situation;
- deliver notification in-person

- either by county sheriff or an authorized process server; and
- allow property owners an additional 45 days to pay a past-due tax bill.

Senators advanced the bill to final reading by voice vote.

**Bill would repeal roads funding passed last year**

A bill that would eliminate the distribution of sales tax revenue for future road construction projects was discussed in a Revenue Committee hearing Feb. 16.

LB1098, introduced by Omaha Sen. Brenda Council, would repeal the Build Nebraska Act passed by the Legislature in 2010. That law would dedicate one quarter of 1 percent of the state sales tax for roads projects, 85 percent of which is directed to the State Highway Capital Improvement Fund, with the remaining 15 percent directed to the Highway Allocation Fund. Collection of the revenue would begin in 2013 and continue for 20 years.



Sen. Brenda Council

Proposed projects under the act include an expansion of Highway 30 and a south beltway around Lincoln.

Council said the uncertain future of the state budget and the need to prioritize funding are reasons for repealing the roads funding.

“It is enough of a challenge to meet our funding priorities without the potential loss of revenue [under the Build Nebraska Act],” Council said. “We should not put off until next year that which will inevitably need to be addressed next year.”

Jerry Hoffman, representing the Nebraska State Education Associa-

tion, testified in support of the bill, saying it is important that funding education remain the state's top priority. Directing sales tax to roads projects will come at the expense of education funding, he said.

"This bill will ensure the state's resources will be dedicated to the support of strong schools for every Nebraska child," Hoffman said.

Marlene Johnson, League of Nebraska Municipalities vice president, testified in opposition to the bill. She said smaller communities are depending on the funding dedicated to future roads projects.

"We finally have a mechanism now to move roads projects forward," Johnson said. "Those of us in small communities need the four-lane highways so we too can participate in economic development."

Coby Mach, representing the Lincoln Independent Business Association, also opposed the bill, saying construction of the Lincoln beltway is a matter of public safety.

"In the past 11 years, 17 people have lost their lives as a result of crashes on the portion of Highway 2 running from west to east through Lincoln," Mach said.

The committee took no immediate action on the bill.

## Transportation & Telecommunications

### Bill would change method for collecting prepaid wireless surcharges

The Transportation and Telecommunications Committee heard testimony Feb. 13 on a bill that would provide a new method for collecting the Wireless E911 surcharge and the Telecommunications Relay System sur-

charge from prepaid wireless services.

LB1091, introduced by Valentine Sen. Deb Fischer, would create a formula that converts the 911 and relay surcharges into a percentage that would be paid to the seller of the prepaid services in order to collect a surcharge from the consumer at the time the retail transaction occurs.



Sen. Deb Fischer

The surcharge would be collected and remitted by the seller in the same manner as the state sales tax and the seller also would be allowed to retain 3 percent of the surcharge.

The prepaid wireless model accounts for 21 percent of the current overall wireless market, Fischer said, and approximately 80 percent of these services are sold through traditional retail outlets.

"LB1091 provides a simple and effective avenue for collecting these surcharges and is the best solution to make sure the state receives the required surcharge for all wireless users," she said.

Beth Canuteson, a representative from AT&T, testified in support of the bill. Canuteson said the surcharges currently are added to a subscriber's monthly bill, collected by the service providers and remitted to the correct state agency. This method does not work with prepaid services, she said, because those customers do not receive a monthly bill and wireless companies end up paying fees on behalf of the prepaid customer.

Canuteson said the bill would create a method for prepaid services that is more efficient, transparent to the customer and fair to post-paid customers who receive the surcharge in their monthly bill.

Nancy Riedel, director of state

tax policy for Verizon Wireless, also testified in support of the bill. There are ways for wireless carriers to obtain surcharges from prepaid wireless users, Riedel said, but they are not reliable and sometimes result in carriers paying the state's 911 service fees.

"This is a well vetted methodology and a consistent way to capture this market to support [the state's] 911 services," she said.

Jerry Vap, chairman of the state Public Service Commission, testified in a neutral capacity. Allowing retailers to retain 3 percent of the surcharges may result in a slight reduction in funds from the surcharges, Vap said.

No opposing testimony was given and the committee advanced the bill to general file Feb. 15 on a 7-0 vote.

## Urban Affairs

### Bill would allow city/county redevelopment projects

The Urban Affairs Committee heard testimony Feb. 14 on a bill that would allow a city to develop land within a 3-mile radius as part of a tax-increment financing (TIF) project without acquiring or annexing the land.

Currently, a city can develop land for a TIF project within a 3-mile radius of the city only if it acquires or annexes the land.

Under LB1132, sponsored by Lincoln Sen. Amanda McGill, a city

would be allowed to develop land for a TIF project that is essential to redevelopment of a substandard or blighted area without acquiring or



Sen. Amanda McGill

annexing the land if a county board approves the project.

“Currently, counties have no authority over city TIF projects,” McGill said.

David Lutton, member of the Saunders County Board of Supervisors, testified in support of the bill, saying the change would allow Ashland and Saunders County to work together to develop abandoned sand and gravel pits north of the city.

Annexing the land currently is not feasible, Lutton said, but developing the site would benefit both the city and county. The city would have an incentive to annex the land eventually and the county would increase its tax valuation, he said.

“We need to find ways of generating tax dollars,” Lutton said.

Larry Dix of the Nebraska Association of County Officials also supported the bill. Counties currently are very limited in their ability to encourage economic development and would appreciate an additional tool, he said.

Omaha Planning Director Ricky Cunningham opposed the bill, saying it would add another layer to the TIF approval process. He said counties should not have veto power over a city’s ability to engage in a TIF project.

Lynn Rex of the League of Nebraska Municipalities agreed. The Nebraska Constitution gives the power to use TIF to cities and villages only, she said.

“Counties do not have the authority to do that,” Rex said. “We’re concerned about the public policy of it.”

The committee took no immediate action on the bill.

**Measure would change TIF rules**

The Urban Affairs Committee heard testimony Feb. 14 on a measure that seeks to change tax increment financing (TIF) rules in Nebraska.

LR376CA, introduced by Omaha Sen. Heath Mello, would place a proposed constitutional amendment on the 2012 general election ballot to make the following changes to TIF regulations:



Sen. Heath Mello

- extend the maximum length of TIF bonds from 15 to 20 years;
- allow the Legislature to extend the maximum length of TIF

bonds from 20 years to 30 years if more than half of the property was previously state-owned; and

- replace the requirement that property be designated “substandard and blighted” with language stating that property be “in need of rehabilitation or redevelopment.”

Mello said TIF regulation in Nebraska is among the strictest in the country and that the proposed changes would make community development competitive with neighboring states. Most states allow 30 years to repay TIF bonds, he said, which is double Nebraska’s current maximum bond length.

He said the measure also would address opposition that often arises from property owners about the language required to initiate TIF.

“The measure would address the long-standing concern of many Nebraskans that in order to use TIF, an area must be dubbed ‘substandard and blighted,’” Mello said.

Omaha Planning Director Ricky Cunningham testified in support of the bill, saying it would help Omaha compete for development projects.

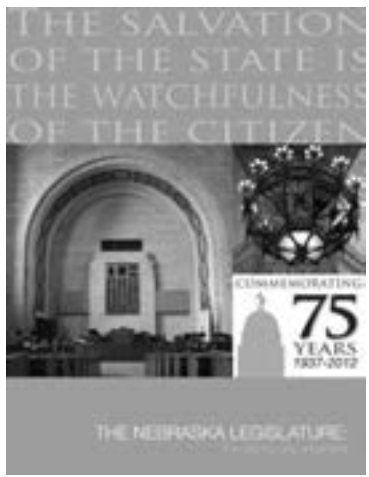
“We would love to have the option of going to longer [bond repayment] terms ... especially for larger projects,” he said.

David Landis, urban development director for the city of Lincoln, also supported the bill. He said it would address areas – such as the Norfolk Regional Center – where buildings formerly used by the state are in need of redevelopment that is not feasible without financing assistance.

“There is not a rational market-based response,” Landis said.

No one testified in opposition and the committee took no immediate action on the measure. ■

**THE NATION’S ONLY UNICAMERAL**



**The Nation’s Only Unicameral** is a 25-page color booklet about the Unicameral published by the Unicameral Information Office. The booklet includes information on the lawmaking process and senators as well as a glossary of terms.

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# COMMITTEE HEARINGS

## Tuesday, February 21

### Banking, Commerce & Insurance

#### Room 1507 - 1:30 p.m.

LB835 (Nordquist) Adopt the Nebraska Health Benefit Exchange Act  
LB838 (Pahls) Adopt the Nebraska Health Benefit Exchange Act

### Education

#### Room 1525 - 1:30 p.m.

LB1084 (Christensen) Require all land leased by the Board of Educational Lands and Funds be open to the public for hunting, fur harvesting, and fishing  
LB1168 (Lautenbaugh) Adopt the School District Purchasing Act  
LB1045 (Haar) Authorize school district expenditures in case of disaster or emergency as prescribed  
LB1068 (Adams) Create and provide duties for the Medicaid in the Public Schools Task Force

## Wednesday, February 22

### Government, Military & Veterans Affairs

#### Room 1507 - 1:30 p.m.

LB975 (Smith) Adopt the Fair Bidding Act  
LB1006 (Fulton) Change bidding provisions relating to vendors who are blind or visually impaired  
LB1024 (Avery) Provide exceptions to the State Personnel System  
LB1076 (Karpisek) Change requirements for copies of public records and speaking at public meetings

### Health & Human Services

#### Room 1510 - 1:30 p.m.

Appointment: Deegan, Thomas - Board of Emergency Medical Services  
Appointment: Rennerfeldt, Carl - Board of Emergency Medical Services  
LB712 (Haar) Change permitted practice provisions under the Certified Nurse Midwifery Practice Act  
LB945 (Haar) Require licensees under the Child Care Licensing Act to provide proof of radon levels at child care locations  
LB1148 (Gloor) Change certification provisions for marriage and family therapists

### Judiciary

#### Room 1113 - 1:30 p.m.

LB912 (McCoy) Provide requirements for local laws regulating discrimination  
LB1162 (Nelson) Provide for appoint-

ment of nonresidents as notaries public  
LB1169 (Pirsch) Require reporting of disappearance or death of a child as prescribed  
LB785 (Christensen) Authorize possession of firearms as prescribed  
LB914 (McGill) Change provisions relating to reductions in sex offender registration periods

### Natural Resources

#### Room 1525 - 1:30 p.m.

LB756 (Avery) Provide public access to documents related to major oil pipelines  
LB1044 (Haar) Provide for Public Service Commission regulation of hazardous liquid pipeline facilities

### Revenue

#### Room 1524 - 1:30 p.m.

LB753 (Avery) Create funds and provide funding for childhood obesity prevention measures through sales taxation of soft drinks  
LB798 (Urban Affairs) Provide that certain assessments are levied and collected as special assessments  
LB888 (Cornett) Adopt the Historic Property Restoration and Reuse Act and authorize an income tax credit  
LB1114 (Flood) Change provisions relating to the Municipal Equalization Fund

## Thursday, February 23

### Government, Military & Veterans Affairs

#### Room 1507 - 1:30 p.m.

LB1116 (Flood) Change Nebraska Capitol Commission membership provisions  
LB1013 (Mello) Change the Administrative Procedure Act and provide for attorney's fees and costs as prescribed  
LB1140 (Mello) Provide for licensure instead of registration under the Professional Landscape Architects Act  
LB1060 (Avery) Change procedures for adoption and promulgation of rules and regulations

### Health & Human Services

#### Room 1510 - 1:30 p.m.

LB848 (Sullivan) Change the Funeral Directing and Embalming Practice Act  
LB1002 (Sullivan) Change long-term care bed moratorium provisions  
LB892 (McGill) Provide for credentialing military applicants and spouses under the Uniform Credentialing Act

LB1110 (Brasch) Provide for assistance for temporary and permanent housing after a natural disaster  
LB1027 (Cook) Change licensure requirements for head injury facility administrators

### Judiciary

#### Room 1113 - 1:30 p.m.

LB1056 (Pirsch) Change provisions relating to harassment and domestic abuse protection orders  
LB1088 (Ashford) Change notice, summons, and warrant provisions of the Nebraska Juvenile Code  
LB1099 (Council) Change expense provisions under the Nebraska Juvenile Code  
LB940 (Harr) Change provisions relating to guardians ad litem in adoption proceedings  
LB1153 (Lathrop) Require timely provision of juvenile court-ordered treatment or services

### Revenue

#### Room 1524 - 1:30 p.m.

LB989 (Haar) Allow exceptions to property tax levy limitations and school district budget authority for 21st Century Community Learning Centers  
LB1011 (Dubas) Adopt the Property Tax Relief Act  
LB1075 (Cornett) Provide for assessment of rent-restricted housing projects by the Property Tax Administrator  
LB1106 (Schilz) Change provisions relating to assessment of improvements on leased public land  
LB1138 (Mello) Change community betterment organization and tax credit provisions under the Community Development Assistance Act

## Friday, February 24

### Government, Military & Veterans Affairs

#### Room 1507 - 1:30 p.m.

LB1170 (Christensen) Change provisions of separate segregated political funds under the Nebraska Political Accountability and Disclosure Act  
LB1171 (Christensen) Adopt the Nebraska Balance of Powers Act and create the Committee on Nullification of Federal Laws  
LR371 (McCoy) Request for a federal amendments convention limited to amending the Constitution of the United

# COMMITTEE HEARINGS

States providing that an increase in the federal debt requires certain approval  
 LR381 (Fulton) Recognize the achievements of Colonel Harry Francis Cunningham on the eightieth anniversary of the completion of the State Capitol and request the Lincoln City Council rename a portion of "J" Street in his honor

## Health & Human Services

**Room 1510 - 1:30 p.m.**

Appointment: Smith, James - Board of Emergency Medical Services

Appointment: Cerny, Joel - Board of Emergency Medical Services

Appointment: Moore, Jan - Commission for the Deaf and Hard of Hearing

## Judiciary

**Room 1113 - 1:30 p.m.**

LB722 (Coash) Authorize fines or costs to be deducted from a defendant's cash bond

LB1111 (Flood) Change provisions relating to penalties involving operator's license revocation

LB1164 (Fulton) Prohibit the Attorney General from bringing an action pursuant to a certain federal statute that addresses the distribution in commerce of general service incandescent lamps

LB1096 (Ashford) Prohibit entry into a motor vehicle without permission of the owner or for the purpose of committing a crime

## Revenue

**Room 1524 - 1:30 p.m.**

LB883 (Cook) Provide for contributions to the Nebraska educational savings plan trust from income tax refunds

LB974 (Pirsch) Change the income tax rate

LB1071 (Cornett) Extend the deadline for acceptance of applications under the Convention Center Facility Financing Assistance Act

LB1135 (Haar) Provide an income tax credit relating to purchases of energy star certified materials and equipment

## Tuesday, February 28

### Agriculture

**Room 2102 - 1:00 p.m.**

Appointment: Marshall, William, III - Nebraska State Fair Board ■



Public hearings on bills are typically held in the afternoons during the first half of the legislative session. Committees have regularly scheduled rooms and meeting days, although they sometimes meet in different rooms at varying times in order to accommodate testifiers or large audiences.

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- Always state your name and spell it for the record, as hearings are transcribed.
- Prepare written copies of your testimony to distribute to the committee.
- Be prepared to limit your testimony, and try not to repeat the points offered by previous testifiers.
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