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UPDATE

Bills would exempt social security, military retirement benefits from income taxation



Sen. Jeremy Nordquist explains LB17 to the committee.

The Revenue Committee heard testimony Jan. 30 and 31 on seven bills that each would exempt some or all retirement income from taxation.

Currently, income tax is levied on social security benefits above set levels — \$25,000 for single people and \$32,000 for married people filing jointly. The proposals included:

- LB17, introduced by Omaha Sen. Jeremy Nordquist, which would raise the base levels at which social security benefits are taxed to \$60,000 for single persons and \$80,000 for married couples filing jointly;
- LB74, introduced by Fremont Sen. Charlie Janssen, which would exempt all social security benefits from income taxation;
- LB238, introduced by Bellevue Sen. Sue Crawford, which would exempt portions of both social security benefits and retirement income from state income taxes;
- LB5, introduced by Omaha Sen. Bob Krist,

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Downsizing of OPS board amended, advanced

A bill that would change the size and structure of the Omaha Public School (OPS) board was advanced from general file Jan. 31.

LB125, introduced by Omaha Sen. Scott Lautenbaugh, would reduce board membership from 12 to nine members. Election of school board members would be changed to coincide with the citywide election instead of the general election.

Lautenbaugh said the proposed changes are a necessary first step in

dealing with multiple issues at OPS.

“This has to happen now for the good of the district and the good of all students,” he said. “We need a board that reflects the aspirations of what we want from OPS.”

Omaha Sen. Ernie Chambers also supported the bill, which he said seeks to address systemic inefficiencies of the board.

“The public doesn’t feel like they get serious consideration before the

board,” Chambers said. “The board simply ‘rubber stamps’ whatever the superintendent tells them to.”

A Government, Military and Veterans Affairs Committee amendment, adopted 37-0, removes an original provision of the bill that would have instituted term limits of two consecutive four-year terms with an allowance to run for a board position again after a four-year hiatus.

Norfolk Sen. Jim Scheer opposed

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Bills would exempt social security, military retirement benefits from income taxation

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- which would exempt all social security and military retirement benefits from income taxation;
- LB75, introduced by Janssen, which would exempt military retirement benefits up to \$24,000 per individual and \$48,000 for married couples filing jointly; and
- LB176, introduced by Papillion Sen. Jim Smith, which would phase in an income tax exemption on all military retirement benefits over a 10-year period; and
- LB227, introduced by Papillion Sen. Bill Kintner, which would phase in an income tax exemption on all retirement income over a three-year period.

Nordquist said the current base levels were set in 1984 and have not been adjusted for inflation since. He said his bill is about achieving a level of tax fairness.

“We want to create a more tax

friendly climate for retirees in Nebraska,” Nordquist said. “Putting money in their pockets will create immediate economic activity.”

Krist said retaining military retirees — many in their 40s and 50s upon retirement — should be a priority for the state.

“We have an incredible brain trust in the military and that needs to stay in Nebraska,” he said. “No matter how we get to that point, we need to get there this year.”

Roger Rea, president of NSEA-Retired, testified in support of the bills. He said retirees put their money directly back into the economy and that money should stay in Nebraska.

“Retirees represent a huge economic engine in the state,” he said. “It’s time to return the money to its rightful owners — the recipients of social security benefits.”

David Drozd, research coordina-

tor for the University of Nebraska at Omaha’s Center for Public Affairs Research, testified Jan. 30 in a neutral capacity. He said if retirees continue to leave the state at current levels, the loss in population could have far-reaching effects.

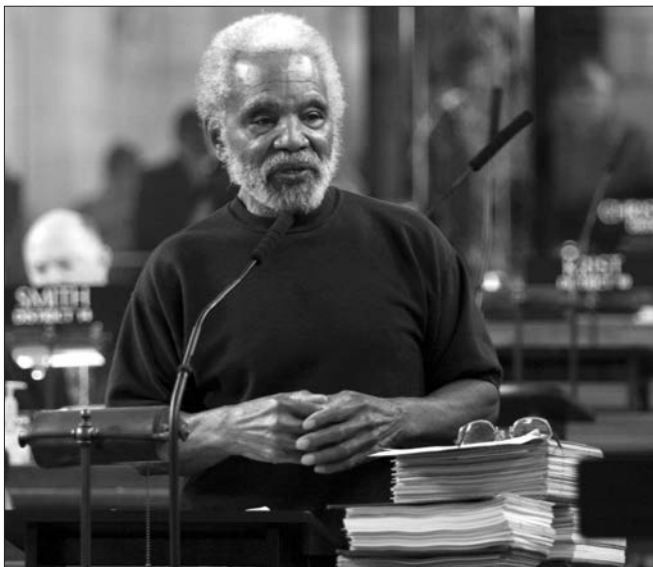
“If people aged 55 to 74 continue to move out of the state at current rates, they will likely take a Nebraska congressional seat with them,” he said.

Open Sky Policy Institute executive director Renee Fry opposed income tax exemptions. She said empirical data does not support the assertion that retirees leave the state because of income taxation on social security benefits.

“The research fails to find any correlation between migration and taxes,” she said. “It’s a slippery slope when you start to carve out exemptions for one group and not another.”

The committee took no immediate action on any of the bills. ■

Downsizing of OPS board amended, advanced



Omaha Sen. Ernie Chambers said the bill would bring needed change to the board.

(continued from front page)

the bill, saying it is a direct and unnecessary challenge to local control of school boards.

“Elections are a crapshoot and student achievement should not be at the whims of a crapshoot,” he said. “We can’t go around each time a board is having difficulties and change the size of the board.”

Saying there is a causal relationship between school board size and student performance, Lincoln Sen. Bill Avery said a large board can lead to other problems as well.

“The evidence is pretty clear,” Avery said. “Larger boards tend to be correlated with lower performance, lack of consensus building, poor communication and poor decision-making.”

Following the adoption of two technical amendments, senators voted to advance the bill to select file on a 37-4 vote. ■

MEET THE SENATOR

Sen. Crawford practices what she teaches

Growing up with a brother, four sisters and one bathroom, future senator Sue Crawford learned at a young age the power of negotiating and working with scarce resources.

She was raised on a farm in northwest Missouri, where her dad served on the local school board and he and her mom were active community volunteers.

The family did not own a TV but had multiple newspaper and news magazine subscriptions, Crawford said, so discussions at home ranged from issues of foreign policy, to farm policy to local school board politics.

So it is no surprise that Crawford went on to study public policy at Truman State University in Kirksville, MO.

While working on her doctorate at Indiana University, she met Elinor Ostrom—a political scientist who was the first woman awarded a Nobel Prize in Economics. She said Ostrom taught her the importance of creative policy making and self-governance and became her mentor, eventually providing her encouragement to run for the Legislature.

Crawford's husband, David, also is interested in politics. They were married on Jan. 20, 1992. The date was not intentionally political, she said; it was the only Saturday the Indiana Hoosiers had not scheduled a game. It was not until later that she realized her anniversary was on the same day as the U.S. Presidential Inauguration.

She and David moved to Bellevue in 1995 when she accepted a position as a political science professor at Creighton University. While most college curriculum focuses on national policy, Crawford said, she emphasizes the importance of state and local policy and requires students to track certain bills in the Unicameral.

But Crawford acknowledged that educating students about policy is very different from enacting it.

“Being in the Unicameral, you see the day-to-day details of how the institutions work and how important those details are, which you do not necessarily appreciate when you study it from afar,” she said.

Crawford said it will be a challenge

to balance family life with her husband and two sons with teaching and being an effective citizen legislator. But she is up for the challenge and said she is grateful for her family and the support they and Creighton have given her.

Her youngest son, Phil, is in seventh grade. And her oldest son Nate—a junior in high school—was a volunteer on her legislative campaign.

“My sons really appreciate that it is important for me to be [in the Legislature],” she said.

“One reason that I went into teaching was because I have always had an interest in making sure citizens are engaged and people are involved in government directly. I am just practicing now what I have always preached.” ■



Sen. Sue Crawford is pictured with her family.

Appropriations

Loans for streamflow enhancement projects proposed

The Appropriations Committee heard testimony Feb. 1 on a bill that would provide state assistance to implement streamflow projects.

LB185, introduced by Imperial Sen. Mark Christensen, would authorize loans to Natural Resources Districts (NRDs) with an integrated management plan that have entered into contracts to construct or imple-



Sen. Mark Christensen

ment streamflow enhancement projects. Christensen said the bill would loan money to projects that assist in state compliance with compacts and agreements that cannot proceed with bonding authority until a current lawsuit is settled.

Four NRDs pooled their resources to purchase land in Lincoln County to pipe water to the Republican River, Christensen said, but a subsequent lawsuit has stalled their ability to bond the project.

Under the bill, \$40 million dollars would be transferred from the Cash Reserve Fund to the Water Contingency Cash Fund, and the state Department of Natural Resources (DNR) would then loan the funds upon request by the NRDs.

LB185 requires that any loan made would be repaid by June 30, 2018.

Christensen said the bill is similar to legislation passed in 2008, which loaned \$9 million to NRDs to pay water right holders who agreed to lease and forgo water use to assist in meeting state compliance with the Republican River Compact. NRDs had been unable to use their bonding authority to pay the water right holders due to a lawsuit, he said.

Authorizing a similar measure now

would ensure that Nebraska remains in compliance with its interstate agreements, Christensen said, and is a better alternative to paying another large fine for not doing so.

“If we fall out of compliance ... the obligation falls upon the state,” he said.

Sen. Tom Carlson of Holdrege testified in support of the bill, saying the state’s cash reserve is a rainy day fund and that the current situation fits the criteria for using it.

“This is a loan that’s going to get paid back,” Carlson said, “and it’s going to be done with the occupation tax. This is not a grant request.”

Jasper Fanning, general manager of the Upper Republican NRD, also supported the bill. If the project currently on hold could go forward in spite of the lawsuit, he said, it would allow the NRDs to better manage irrigation in their districts and ensure continued compliance with Nebraska’s water compacts.

“We’re trying to minimize the economic impact of the state’s obligations while serving the needs of our district,” he said.

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

Banking, Commerce & Insurance

ATM fee disclosure change advances

Lawmakers gave first-round approval Jan. 28 to a bill that would bring state law into conformity with federal law relating to automatic teller machine (ATM) fee disclosure requirements.

LB100, introduced by Syracuse Sen. Dan Watermeier, would eliminate a requirement that an ATM fee

notice be affixed to or displayed on an ATM.

Currently, fee notices are required to be affixed to or displayed on ATMs as well as displayed on the ATM screen or on a paper notice issued from the machine after a transaction is initiated and before the consumer is irrevocably committed to complete the transaction.

Watermeier said the current state requirement was patterned after federal ATM disclosure requirements that have since changed. Federal law no longer requires an additional fee notification affixed to or displayed on an ATM, he said.

“Congress recognized that the [additional] requirement was no longer necessary,” he said. “Consumers are provided with adequate protection.”

LB100 advanced to select file on a 41-0 vote.

External review of health insurance carrier decisions, prior approval of insurance rates sought

The Banking, Commerce and Insurance Committee heard testimony Jan. 29 on two bills meant to bring Nebraska into compliance with federal health care reform efforts.

LB147, introduced by Grand Island Sen. Mike Gloor at the request of the Nebraska Department of Insurance, would fulfill a mandate required under the federal Patient Protection and Af-



Sen. Dan Watermeier



Sen. Mike Gloor

fordable Care Act (ACA) that states adopt a process for external review of internal decision-making by health

insurance carriers.

LB147 would require health insurance carriers to notify covered individuals of their right to request an external review and of the availability of expedited review in certain cases.

Except in cases of expedited review, a covered individual would be required to exhaust the carrier's internal grievance process unless the carrier fails to issue a written decision within 30 days or waives the exhaustion requirement. The cost of independent reviews would be paid by health insurance carriers.

An independent review organization (IRO) would be required to make a determination within 45 days, or within 72 hours in the case of an expedited review. The bill outlines a separate process for external review of decisions denying coverage on the grounds that the health care service is investigational or experimental.

Among other provisions, the bill would require IROs to be:

- nationally accredited;
- approved by the director of the Department of Insurance;
- free of material or other conflict of interest in a dispute under review; and
- shielded from liability for damages unless acting in bad faith or involved in gross negligence.

LB147 would apply to any claim submitted on or after Jan. 1, 2014.

Nebraska Department of Insurance director Bruce Ramage testified in support of the bill, saying states that do not adopt laws consistent with national standards will be subject to federal administration of external reviews.

Policyholders in Nebraska are accustomed to dealing with the Department of Insurance when they have complaints, Ramage said, so having the state in charge of the new external review process would reduce policyholder confusion.

Jan McKenzie of the Nebraska

Insurance Federation also testified in support, saying a measure based on model national legislation would ensure a level playing field for Nebraska health insurance carriers who also operate in other states.

"We support the department's efforts to create a business friendly environment for the industry," she said.

Also introduced was LB336, sponsored by Holdrege Sen. Tom Carlson, which would require state regulation of all health insurance rates for policies issued in Nebraska subject to the federal Patient Protection and Affordable Care Act.



Sen. Tom Carlson

Ramage supported the bill, saying it would ensure Nebraska compliance with the ACA.

No opposition testimony was offered on either bill. The committee voted 8-0 to advance both bills to general file.

Bill to clarify qualifying securities for public funds advances

A bill that would clarify the types of financial instruments authorized as securities for public funds under state law was given first-round approval Jan. 31.

Introduced by Grand Island Sen. Mike Gloor, LB155 would clarify that both mortgage-backed securities and collateralized mortgage obligations qualify to be pledged for purposes of securing public funds as mortgage-backed obligations.

The bill specifies that both mortgage-backed securities and collateralized mortgage obligations issued or backed by collateral 100 percent guaranteed by the Federal Home Loan Mortgage Corporation, Federal Farm Credit System, Federal Home Loan

Bank or the Federal National Mortgage Association would qualify as securities for purposes of satisfying the pledging for public funds requirements.

The bill also would allow the pledging for public funds requirements to be satisfied by letters of credit issued by any Federal Home Loan Bank and not just the Federal Home Loan Bank of Topeka.

Gloor said dramatic changes in the banking industry as a result of recent federal reforms require changes in state law regarding securities for public funds.

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

Business & Labor

Extension of workers' compensation mental injury provisions advanced

Senators gave first-round approval Feb. 1 to a bill that would repeal a sunset provision on workers' compensation for some mental injuries.

LB21, sponsored by Omaha Sen. Steve Lathrop, would repeal the June 30, 2014 sunset provision that was included in a bill passed in 2010. That measure allows first responders to receive workers' compensation benefits for mental injuries.



Sen. Steve Lathrop

Prior to passage of that legislation, mental injuries could be claimed only if accompanied by a corresponding physical injury.

If passed, LB21 would take effect on June 20, 2014.

Lathrop said the sunset provision was placed in the original bill in order to give lawmakers time to examine the impact of the change in benefits before making the change permanent.

“It has not lead to hundreds of claims and millions of dollars paid out,” he said, adding that only one claim has been filed in the three years that the law has been in effect.

LB121 advanced to select file on a 34-0 vote.

Social media protections considered for employees, applicants

The Business and Labor Committee heard testimony Jan. 28 on a bill that would restrict employers from accessing social networking accounts.

Under LB58, introduced by O’Neill Sen. Tyson Larson, employers would be prohibited from requiring employees or applicants to disclose their social network account information or log on to their social networking sites in the employer’s presence.



Sen. Tyson Larson

The bill also would prohibit employers from accessing employees’ or applicants’ social networking accounts indirectly through third party contacts. A civil action could be brought against an employer one year after the date of an alleged violation.

As social networking sites become increasingly popular, Larson said, there is a growing need to protect individuals who use them. The bill would restrict employers from accessing information employees choose to keep private, he said.

“We have to be mindful of the employer/employee relationship in a technologically evolving world,” Larson said. “Employers should not be allowed to access private information just because it is on the Internet.”

Alan Peterson, a lawyer for the ACLU, testified in support of the bill, saying he has tried a number of dis-

crimination cases in which employers asked interview questions about the applicant’s gender, race and religion. Requiring a password to these sites would provide an employer with such information, he added.

Steve Lamken, chief of the Grand Island Police Department, testified in opposition to the bill. He cited a case in which the department took action against a uniformed officer who was posting derogatory comments on his Facebook page.

Law enforcement officers should be held to higher standards, he said, and under the proposed bill, the actions of the department to uphold such standards would have been illegal.

Korby Gilbertson, a lobbyist for the Nebraska Realtors Association, testified in a neutral capacity, saying the bill does not clearly define the term employee.

Gilbertson said real estate brokers are responsible for their agents, who are considered independent contractors. When real estate agents have hundreds of Facebook friends to promote their businesses, she said, it becomes an issue for the brokers who are liable for those agents.

Lynn Rex, executive director of the League of Nebraska Municipalities, also testified in a neutral capacity. There could be safety concerns—such as an individual posting about bringing a gun to work—that require action without an employer fearing civil repercussions, she said.

“The bill conceptually is addressing privacy, but there is a competing element that needs to be tightened up significantly,” Rex said.

The committee took no immediate action on the bill.

Bill would require prompt workers’ comp payments

The Business and Labor Commit-

tee heard testimony Jan. 28 on a bill that would amend medical payment provisions of the Nebraska Workers’ Compensation Act.

LB291, introduced by Omaha Sen. Jeremy Nordquist, would require that medical payments be paid within 30 days after notice is given to the employer or after a final order of the compensation court.



Sen. Jeremy Nordquist

Under the bill, 50 percent of the amount payable would be added to the charge and be paid to the employee if the medical payment is not paid within 30 days.

When workers are injured on the job, the results can be devastating, Nordquist said. If medical bills are not paid in a timely manner he added, an additional stress is placed on the family.

John Corrigan of the Nebraska AFL-CIO testified in support of the bill, citing a workers’ compensation case in which an individual went bankrupt after being sued by the hospital for unpaid medical bills.

“The incentive [of the bill] is to make sure medical payments are made in a timely manner—otherwise the purpose of the workers’ compensation law is lost,” he said.

Rich Hitz, a member of the Nebraska Association of Trial Attorneys, also testified in support, saying 42,000 workers’ compensation claims were made statewide and only 1,300 petitions were filed against them. The bill is creating a penalty for unpaid bills that have been deemed credible, he said.

Omaha city attorney Tim Himes testified in opposition to the bill, saying the 30-day period to pay the medical bills was too short to process, sort through and pay such claims. Additionally, he said, the bill does not

clarify when the 30-day period begins.

Timothy Clarke of Nebraskans for Workers' Compensation Equity and Fairness also testified in opposition. Current law already compensates employees fairly, he said, so paying additional sums to them would provide a "windfall" to injured workers.

The committee took no immediate action on the bill.

Education

Bill would establish career academy consortiums

The Education Committee heard a bill during a hearing Jan. 29 that would allow school districts to create career academies under a consortium.

Omaha Sen. Brad Ashford said he introduced LB47 because students do not have access to the newest technology and job skills necessary to find employment upon graduation.



Sen. Brad Ashford

The bill builds upon LB870, passed in 2012, which established the framework for career academies in the state. Ashford said LB47 would foster more collaboration between smaller school districts that might not have the resources to create individual academies.

"It is absolutely critical that we connect these young people to jobs," he said. "In order to be a global competitor, Nebraska must be in the forefront."

Under the bill, a consortium would consist of:

- no less than three school districts;
- one community college or publicly funded, four-year college; and
- at least one public agency, private business or private industry group.

Students attending a consortium career academy would be instructed on workplace skills, basic skills related to career pathways, technology and specific job skills. Job shadowing and internships also would be provided in the student's focus area.

The career academies would be funded jointly by the Legislature and private donations from industry partners and administered by the state Department of Education. A stipend of \$1,500 per participating student would be appropriated to the student's resident school district to defray costs.

Lincoln Public Schools superintendent Steve Joel supported the bill, saying the current demands placed on schools and students prohibit the deep understanding of practical skills that can lead to gainful employment.

"At the end of the day these students will have a high school diploma, at least one year of college credit, industry certification and more options to pursue further academic opportunities and gainful employment," Joel said. "This is truly a game changer."

Tonja Broadwell, chief operations officer of Kelly Supply Company, also testified in support of the bill. She said it is becoming increasingly more difficult for businesses to find qualified workers to fill vacancies.

"We feel strongly that career academies provide a pathway for career-ready workers," she said. "This is how we grow and compete."

Dan Schoemake, Educational Service Unit (ESU) 6 administrator, testified in a neutral capacity. He said he supports the bill but thinks a broader scope would be more effective.

"This bill brings relevance and real-world education to the high school setting," Schoemake said, "but we would like to advocate for more involvement with the ESUs."

No one testified in opposition to

the bill and the committee took no immediate action on it.

Stronger standards for dual enrollment courses proposed

High schools offering dual enrollment courses would be subject to new standards under a bill heard by the Education Committee Jan. 29.

Scottsbluff Sen. John Harms said he introduced LB116 because there is a need for consistency and rigor among high school courses earning college credit.



Sen. John Harms

Under the bill, a dual enrollment course taught to high school students must follow the same course syllabus, textbook, course outline and student assessment as a comparable college course.

"There is ongoing evidence in Nebraska that dual enrollment courses are a key strategy in addressing our future economic needs," he said. "This bill provides the needed standards."

Todd Holcomb, president of Western Nebraska Community College, said he supported the bill because offering high quality courses will pay dividends for years to come.

"Students that earn dual credit persist and graduate college in higher numbers," Holcomb said. "Adhering to high standards ensures that parents and students can trust the end product."

Currently any instructor of a dual enrollment course must have a master's degree with at least six credit hours of graduate-level study in the course content area. LB116 would increase this requirement to a master's degree with at least 18 credit hours of content area study.

Nebraska State College System chancellor Stan Carpenter opposed the bill, saying the new instructor requirements would severely limit

students' access to courses, especially in rural areas.

"This bill would dictate who we could hire," he said. "This imposes upon the governance and management authority of the board."

Brian Halstead, representing the state Department of Education, also opposed the bill, saying it far exceeds established standards for dual enrollment instructors.

Nebraska Association of School Boards representative John Bonaiuto testified in a neutral capacity. He said the bill is well intentioned but may have unintended consequences.

"This bill may go beyond what the institutions and the people in the field are ready for without being involved in the conversation," Bonaiuto said.

The committee took no immediate action on the bill.

Changes to superintendent certification requirements proposed

School boards could hire superintendents lacking a certificate to administer under a bill heard by the Education Committee Jan. 28.

Currently any candidate for school superintendent must hold a certificate to administer before official employment can be offered. Under LB121, introduced by Omaha Sen. Scott Lautenbaugh, the state Board of Education could waive this requirement if petitioned by an individual school board.



Sen. Scott Lautenbaugh

"Sometimes the pool of candidates gets tighter, especially in smaller districts," he said. "This provides a mechanism to loosen restrictions for incoming superintendents."

Brian Halstead, representing the state Department of Education, testified in opposition to the bill, saying a problem does not exist.

"There are approximately 1,400 people holding a certificate to administer in Nebraska," Halstead said. "We don't have a supply issue."

Larry Ramaekers, representing the Grand Island-Northwest Public Schools and Adams Central Public Schools, also opposed the bill. Ramaekers said his education was vital to his experience as a school superintendent.

"It would have been difficult for me to make the necessary decisions without the education I had," he said.

No one testified in support of the bill and the committee took no immediate action on it.

Bill would remove community college association requirement

Community colleges no longer would be required to join an association under a bill heard by the Education Committee Jan. 28.

York Sen. Greg Adams introduced LB211 to finalize an agreement reached by the community college boards. Under the bill, joining an association of community colleges would be voluntary.



Sen. Greg Adams

"This was something agreed upon when we were working on the funding formula, which we passed last year," he said. "All this does is put it into statute."

The bill strikes a provision requiring any meeting by a community college association to be conducted in accordance with the Open Meetings Act. Dennis Baack, executive director of the Nebraska Community College Association, addressed senators' ques-

tions about the provision.

"Under the bill we would not be subject to the Open Meetings Act," he said, "but we would certainly never preclude any member of the public from attending our meetings."

Additionally, the bill would authorize the board of governors of any community college to use college funds to pay for association membership.

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

Executive Board

Investigative committee reauthorization advanced

The Executive Board considered a resolution that would reauthorize a special investigative committee during a hearing Jan. 28.

Omaha Sen. Steve Lathrop introduced LR20, which would reconstitute the Developmental Disabilities Special Investigative Committee of the Legislature through the current biennium. The committee first was assembled in 2008 to address a number of issues at the Beatrice State Developmental Center that led to a loss of federal funding.



Sen. Steve Lathrop

"We've made progress, but we're still not where we need to be," Lathrop said.

There was no testimony on the proposal.

The committee voted to advance the resolution on a 8-0 vote.

General Affairs

Proof of age bill advances

Senators advanced a bill from

general file Feb. 1 that would allow nonresidents to use a state-issued identification card to purchase alcohol.

To purchase alcohol a customer currently must provide one of the following accepted forms of identification:

- a valid driver's or operator's license;
- a military identification card;
- an alien registration card;
- a passport; or
- a Nebraska state identification card.

LB173, introduced by Lincoln Sen. Colby Coash, would add to that list a state identification card from any state. Coash said he introduced the bill because people holding valid state identification were being refused service.



Sen. Colby Coash

"As Nebraska sees more out-of-state guests, we need to make sure we are welcoming to them," he said.

Lincoln Sen. Amanda McGill supported the bill, saying it would affect many of the students attending college in the state.

"We want to encourage more students to come to our colleges and universities," she said. "We don't want this to be a reason they don't come here."

Senators voted to advance the bill to select file on a 30-0 vote.

Bill would decrease time limit between Keno games

The General Affairs Committee heard testimony Jan. 28 on a bill that would amend the current 5-minute time limit required between Keno games.

LB273, introduced by Wilber Sen. Russ Karpisek, would reduce the time that Keno operators must wait between games to three minutes.

Karpisek said the measure simply is

an attempt to make Keno more entertaining and result in more games being played.

"I do not think that this is an expansion of gambling," he said.

George Payne, representing Keno operators, testified in support of the bill. He said reducing the required time between games to three minutes would be in keeping with the original intent of how Keno is structured, but possibly would generate more revenue for cities and towns.

A library in Papillion received over \$1 million in Keno funds, he said, and is a major asset to the community.

"The number of kids, parents and [other] adults who use that facility on a daily basis is phenomenal," Payne said.

Jack Cheloha, testifying on behalf of the City of Omaha, also supported the bill, saying the portion of Keno profits received by political subdivisions is required by law to be used for community betterment. More revenue means more funds for police cruisers, parks and other projects, he said.

Pat Loontjer of Gambling with the Good Life testified in opposition, saying that any increase in the speed of gambling leads to an increase in gambling addiction.

Loontjer suggested that lawmakers re-examine the percentages of revenue allocated to political subdivisions rather than attempting to increase the number of games played. Keno operators receive almost twice the amount of funds that cities and counties do from Keno gaming profits, she said.

"This [change] is an attempt by the Keno operators to line their own pockets," Loontjer said.

The committee took no immediate action on LB273.



Sen. Russ Karpisek

Government, Military & Veterans Affairs

Bill would limit professional credentialing

Nebraska cities and counties would be prohibited from requiring a person to be credentialed to conduct business within their jurisdictions under a bill heard Jan. 30 by the Government, Military and Veterans Affairs Committee.

LB108, introduced by Wilber Sen. Russ Karpisek, would prohibit cities and counties from requiring a license, certificate, registration, permit or any other approval required by the state to engage in a specific profession or occupation.

The bill specifies that a credential does not include any general requirement of a business, such as a sales and use tax collection permit.

Karpisek said the bill's provisions would not apply to plumbers or air conditioning/air distribution contractors because they currently are required by state law to have certain local credentialing.

Many general contractors who do business in the Omaha metropolitan area work in a number of Douglas and Sarpy County communities, Karpisek said. If the current trend of cities requiring credentials expands, he said, companies could need separate, expensive permits from up to 10 different cities.

Karpisek said the bill's intent is to remove a "layer of cumbersome bureaucracy" that is a burden for many small business owners in Nebraska. He said the fees cities charge are his main concern.

"I think it's not so much about public safety as it is a revenue stream," he said.

Metro Omaha Property Owners Association president John Chatelain,

representing the Statewide Property Owners Association, testified in support of the bill.

Chatelain said both Omaha and Bellevue require contractors to pay a licensing fee of several hundred dollars, take an exam, engage in continuing education and be recertified every few years. These requirements simply are a way for cities to raise revenue, he said.

“Taking a licensing exam has nothing to do with the quality of the work,” he said.

Kathy Siefken, executive director of the Nebraska Grocery Industry Association, also testified in support. Having city-level certification creates difficulties for those who do business in more than one municipality, she said.

If regulation is needed, she said, it should be done at the state level to provide consistency across the state.

Jay Davis, assistant planning director for the city of Omaha, testified in opposition to the bill. Inspections have indicated improvements in the quality of contractor’s work since the city’s licensing program began, he said.

The goal of the licensing is improved public safety, he said. “We don’t use it for a money grab.”

Dennis Van Moorlegem, board member of the Omaha Metro Builders Association, also opposed the bill. He acknowledged that city credentialing can be a burden for small businesses, but said standards that encourage quality work are worth imposing the \$300 licensing fee.

“Nobody likes to [pay] it,” Van Moorlegem said, “but it’s a balancing act.”

The committee took no immediate action on the bill.

Bill would allow electronic petition signatures

The Government, Military and Veterans Affairs Committee heard testi-

mony Jan. 31 on a bill that would allow the electronic collection of signatures for initiative petitions and referendums.

Under LB160, introduced by Columbus Sen. Paul Schumacher, the filing fee for an initiative petition proposing a constitutional amendment would be \$10,000 and all other petitions would be \$5,000.



Sen. Paul Schumacher

The fees would apply only to filers who do not opt out of the electronic signature option. Sponsors who could not afford such fees could file a qualifying affidavit in lieu of the filing fee.

The bill also would require the secretary of state to:

- mail a postcard to signers notifying them that their electronic signatures have been received;
- establish a secure server; and
- establish a website containing the full text of the petition which must be viewed prior to the signature submission, as well as links providing information in support of and opposed to the petition.

“The voters of this state generally have expressed support for the petition process,” Schumacher said. “This bill enables [voters] to sit down and think about [the petition], read the pros and cons and sign it electronically.”

No one testified in support of the bill.

Jessica Kolterman of the Nebraska Farm Bureau testified in opposition. A declining population and limited Internet access already have put rural Nebraskans at a disadvantage, she said, so collecting signatures electronically would further the digital divide.

Deputy Secretary of State Neal Erickson also testified against the bill, saying it would be difficult for the secre-

tary’s office to implement and that the website maintenance would be costly.

Jack Gould of Common Cause Nebraska testified in a neutral capacity, saying that the current petition process is too costly.

“There was a time when the petition was the second house in Nebraska and now it is only for those who can afford it,” he said.

The committee took no immediate action on the bill.

Election commissioner appointments could require legislative, county board approval

The Government, Military and Veterans Affairs Committee heard testimony Jan. 31 on two bills that would change requirements for election commissioner appointments.

LB183, introduced by Wilber Sen. Russ Karpisek, would require that election commissioners be appointed by the county board in counties with populations of more than 100,000.



Sen. Russ Karpisek

Forty-five percent of state voters reside in three counties, Karpisek said, so those counties should have more control over their election commissioners to reduce political influence from the governor.

Abbie Kretz, member of the Heartland Workers Center, testified in support of the bill, saying it would give counties more oversight and provide more transparency.

“We feel that we need an election commissioner in larger counties that will show openness with the community they are representing,” Kretz said.

Deputy Secretary of State Neal Erickson testified in opposition to the

bill. If the goal of the bill is to make local election officials less subject to political influence, he said, the opposite probably would happen if such positions were appointed by local entities.

Karpisek also introduced LB188, which would require legislative approval of election commissioner appointments made by the governor.

Jack Gould of Common Cause Nebraska testified in support of the bill, saying it would make the election process more fair.

“It seems that because we elect governors on the basis of political parties and because electing commissioners is a grassroots element of democracy, that it is important that a nonpartisan body support an appointment [of an election commissioner],” he said.

Adam Morfeld, the executive director of Nebraskans for Civic Reform, also testified in support of the bill, saying it would provide checks and balances to the election process. Giving the Legislature final authority over such appointments would allow citizens to either support the appointments or address their concerns in a public hearing, he said.

The committee took no immediate action on either LB183 or LB188.

Health & Human Services

Bill would allow foster youth to continue services until 21

State wards who have aged out of the foster care system voluntarily could continue to receive services until age 21 under a bill heard Jan. 31 by the Health and Human Services Committee.

LB216, introduced by Lincoln Sen. Amanda McGill, would allow

eligible youth to enter into a voluntary foster care agreement with the state Department of Health and Human Services (DHHS) for extended services, including:

- Medicaid;
- postsecondary education assistance;
- continued foster care maintenance payments;
- placement in a foster home, institution or independent living; and
- continued case management to help access additional supports.

To qualify for the program, an applicant would need to be:

- employed for at least 80 hours per month;
- enrolled in an institution that provides postsecondary or vocational education;
- completing a secondary education or a program leading to an equivalent credential;
- participating in a program or activity designed to promote or remove barriers to employment; or
- incapable of doing any of the above activities due to a medical condition.

McGill said the federal law allows states to extend foster care services to age 21 and research shows that youth who continue to receive services have improved chances of success when they transition from foster care.

McGill said the Former Ward Program, DHHS’s existing support program for youth leaving foster care, is not codified in state law. Furthermore, she said, many state wards are unaware that the program exists or do not fit its narrow eligibility requirements.



Sen. Amanda McGill

Amy West of Nebraska Appleseed testified in support of the bill, saying former wards often have experienced years of trauma and require assistance in the transition to adulthood. Providing a safety net for them would lower their future rates of homelessness, incarceration and other negative outcomes, she said.

“This is a good investment in the future of our children and our state,” she said.

Amanda Huxoll, a former state ward, also testified in support of the bill, saying many young people aging out of foster care lack the support necessary to succeed. Huxoll said she struggled while attempting to juggle community college and work, and could not make ends meet.

“I had two options: quit school or sleep in my car,” she said. “And many young adults have a far worse time than I did.”

Thomas Pristow, director of DHHS Children and Family Services, testified in opposition to the bill. He said DHHS is committed to supporting youth aging out of the foster care system, but that the division cannot afford to fund the program outlined in LB216.

Pristow said the bill would cost an estimated \$11.5 million in fiscal year 2013-14. He said the bill’s supporters were relying on estimates from a cost analysis that underestimates the number of youth who would utilize the program.

“I have to balance my budget,” he said.

The committee took no immediate action on the bill.

Foster care placement, other child welfare changes proposed

The Health and Human Services Committee heard testimony Jan. 31 on two bills seeking changes to the

state's child welfare system.

LB269, sponsored by Lincoln Sen. Kathy Campbell, would make several changes to the state's child welfare system. Campbell said she introduced the bill in response to reports and studies completed as a result of legislation passed last session, and an interim study conducted by the Health and Human Services Committee.

Among other provisions, the bill would make the following changes to the Nebraska Children's Commission:

- move the commission to the Foster Care Review Office;
- hire a child welfare policy researcher to support the commission's work; and
- add the director of the Foster Care Review Office and the Inspector General of Child Welfare as voting members of the commission.

The bill also would require the state Department of Health and Human Services (DHHS) to:

- apply for federal reimbursement of costs associated with the Nebraska Juvenile Service Delivery Project;
- establish new foster home licensing requirements to expand the use of child-specific, relative and kinship placements;
- secure evidence of financial stability from entities that subcontract with the department to provide child welfare services;
- develop a policy for reimbursement of all allowable foster care maintenance costs under Title IV-E; and
- develop and implement a uniform training program for all



Sen. Kathy Campbell

case managers, whether employed by DHHS or an agency under contract with the state.

Campbell said the changes would increase Nebraska's Title IV-E funding opportunities from the federal government and provide greater stability to the state's child welfare system.

Sarah Helvey of Nebraska Appleseed testified in support of the bill, saying improvements to oversight and accountability are critical to continued reform efforts.

Helvey noted the bill's support of prioritizing kinship placement of state wards, saying children who have been traumatized benefit greatly from being placed in a home with someone they know.

"This has been a key issue for [advocates] for several years," she said.

The committee also heard testimony on LB265, sponsored by Lincoln Sen. Colby Coash, which focuses solely on facilitating placement in homes where at least one caretaker is known to the foster child.



Sen. Colby Coash

Currently, all foster homes in Nebraska must be licensed. LB265 would exempt kinship and relative homes from the licensure requirement. A kinship home is defined in the bill as one in which a primary caretaker previously has lived with or had significant contact with the child being placed.

Under the bill, kinship and relative homes would be subject to criminal background checks of all adult residents and a home visit to ensure adequate housing. In addition, the bill would allow DHHS to issue a waiver for any nonsafety licensing standard for a kinship or relative home seeking licensure.

Coash said relatives and family friends of children entering the foster

care system are interested in assisting a particular child and may not be able to invest the time and effort required to gain formal licensure as a foster care provider. He said the top priority should be reducing the amount of disruption in vulnerable children's lives.

"This bill is about reducing trauma," he said. "We can't erase the trauma of whatever the root cause of the removal was ... but we can reduce it."

Sarah Forrest of Voices for Children in Nebraska agreed. Testifying in support of the bill, she said the state needs to do more to encourage kinship placements.

"Licensure should never be a barrier to placing a child in the best possible home for them," she said.

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

Automated pharmacies proposed for long-term care facilities

The Health and Human Services Committee heard testimony Feb. 1 on a bill that would allow automated pharmacies to operate in long-term care facilities.

Under LB326, introduced by Omaha Sen. Sara Howard, the pharmacist would be in charge of the retail pharmacy that owns and registers the automated medication system and the inventory used in the long-term care automated pharmacy.



Sen. Sara Howard

The state has over 400 long-term care facilities, Howard said, and on-site automated medication systems would help them operate more efficiently.

Larry Johnson, the director of government relations for the Golden

Living Center, testified in support of the bill, saying the automated systems reduce the patients' medication dispensing time by up to four hours.

Furthermore, he said, dispensing medication in single doses rather than the current 30-day supply reduces waste by 25- to 30 percent.

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

Bill would allow hygienists to provide on-site services

Dental hygienists would be allowed to provide certain services to adults in health care facilities under a bill heard by the Health and Human Services Committee Feb. 1.

LB484, introduced by Wilber Sen. Russ Karpisek, would allow a licensed dental hygienist with 3,000 hours of clinical experience to provide services to adults in a health care facility. Those service would include:



Sen. Russ Karpisek

- oral prophylaxis;
- pulp vitality testing; and
- preventive measures, including the application of fluorides, sealants and other recognized topical agents for oral disease prevention.

"The bill will broaden and extend badly needed dental care to thousands of Nebraskans who do not receive it on a regular basis, and would do so through a modest resource and an efficient cost," Karpisek said.

Jane Broekemeier, a member of the Nebraska Dental Hygienists' Association, testified in support of the bill. Studies have shown that maintaining a nursing home patient's oral hygiene can prevent them from aspirating,

she said, which could reduce resident hospital admissions.

Deb Schardt, a dental hygienist in Hastings, testified in support of the bill, saying there are 830,000 emergency room visits nationwide that result from dental problems. Lack of access to health care is a critical issue and dental hygienists must play a vital role in the solution to such disparities, she said.

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

Judiciary

Data breach notification requirements considered

Consumers affected by data breaches would be provided additional information under a bill heard by the Judiciary Committee Jan. 30.

LB61, introduced by Gretna Sen. John Murante, would require an individual or commercial entity to notify the attorney general's office in the event of a data breach.



Sen. John Murante

Currently, the act only requires that notice be given to the consumer in the event of a data breach.

Failure to comply with the notification requirements would constitute a deceptive trade practice under the bill.

"In 2012 over 800,000 Nebraskans were affected by security breaches that made them vulnerable to identity theft," Murante said. "We should be doing everything we can to ensure Nebraskans have the information they need to protect themselves from identity theft, and this bill would do that."

Chief Deputy Attorney General David Cookson testified in support of the bill, saying certain companies

only notify consumers when a security breach has taken place and do not provide them with useful information. In such instances, he said, consumers contact the attorney general's office seeking guidance.

"This bill would provide more certainty for consumers," Cookson said.

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

Bill would require permit approval prior to eminent domain talks

The Judiciary Committee heard testimony Jan. 30 on a bill that would address concerns about the eminent domain process used by companies for obtaining voluntary land use agreements.

LB152, introduced by Fullerton Sen. Annette Dubas, would require the condemner to have all necessary permits and approvals from involved agencies prior to beginning negotiations with the condemnee.



Sen. Annette Dubas

The bill also would require agencies to approve a present plan and public purpose prior to exercising eminent domain.

Dubas said her concern over eminent domain was sparked by Trans-Canada's proposed Keystone XL pipeline, which is intended to carry crude oil from Canada to Gulf Coast oil refineries. Many landowners were "astonished" that a private foreign company could legally acquire their land, she said.

"The very nature of [eminent domain] creates angst and tugs at something we all hold very dear: our property rights," she said. "This bill

would ensure that individual landowners' property rights are protected."

Donna Roller, a landowner near the proposed Keystone pipeline route, testified in support of the bill, saying she witnessed "total disregard" for landowners' property rights by certain corporations.

"I support this bill," she said. "Our farms and our ranches are our heritage, our income and our future and we need legal protection."

Gerald Vinduska, a farm owner near Gretna, also testified in support of the bill. It should be common sense that landowners are treated fairly, he said, but corporations have been unabiding.

"The citizen feels like he is fighting with a short stick when he is dealing with a corporation like TransCanada," Vinduska said. "That is why this [bill] is needed so bad—so the citizens feel like they have equal footing."

Ben Gotschall, a member of the Nebraska Easement Action Team, also testified in support, saying all permits should be in place before companies can legally threaten eminent domain.

"TransCanada owns easements against properties for a pipeline which they have never had a permit for," he said. "If companies were required by law to accurately portray their purpose, landowners would not feel deprived and pressured to sign easements."

Lee Hamann, Nebraska legal counsel for TransCanada, testified in opposition to the bill, saying the current process allows for public hearings and governmental oversight. The bill weakens original provisions put in place to protect landowners and diminishes the opportunity to educate landowners prior to signing easements, he said.

Union Pacific Assistant General Attorney Madeline Roebke opposed the bill, saying Union Pacific negoti-

ates with landowners and rarely uses eminent domain. The bill would reduce early contact with landowners and limit Union Pacific's ability to revise its plans based on landowner feedback, she said.

Furthermore, Roebke said, it is unclear how companies would proceed using eminent domain in instances in which a permit is not required.

Gary Krumland, assistant director for the League of Nebraska Municipalities, also testified in opposition to the bill, saying it would impact city projects eligible for federal funds. Such projects require that property be acquired prior to obtaining a permit, he said.

"There are some things that may interfere with what cities do for basic services that need to be addressed [in this bill]," he said.

The committee took no immediate action on LB152.

Natural Resources

Bill would change licensure requirements for geologists

Senators advanced a bill from general file Jan. 29 that would establish stronger licensure requirements for geologists practicing in the state.

Malcolm Sen. Ken Haar introduced LB91, saying that an increased presence of geologists in the state warrants the changes to current licensure requirements.

"Nebraska has one of the largest uranium mines in the United States," he said. "As oil and fracking become more common in Nebraska, there will be a greater need for geologists."

Under the bill, the Nebraska Board

of Geologists could:

- deny a license to any applicant deemed to have an issue of moral turpitude, a felony conviction, or suspension or revocation of an existing license;
- grant licensure to any out of state geologist with at least 15 years of relevant experience under a reciprocity agreement;
- require continuing education of all license-holders; and
- admit members to the board from any Nebraska college or university.

Columbus Sen. Paul Schumacher questioned the fairness of the reciprocity provision, saying the 15-year requirement is arbitrary.

"Geologists with 15 years of experience may actually be at a disadvantage," he said. "They may have even less education on current technology than someone coming right out of college."

Haar said he included the reciprocity provision because other states have different standards and testing methods for licensure that are not required in Nebraska.

The bill was advanced to select file on a 41-2 vote.

Retirement

Bills would switch retirement plans for certain public employees

The Nebraska Retirement Systems Committee heard testimony Jan. 31 on two bills that would switch retirement plans of school employees, state patrol officers and judges from a defined benefit to a cash benefit plan.

LB638, introduced by Omaha Sen. John Nelson, would create a cash balance benefit plan for school employees hired after July 1, 2014. Currently,



Sen. Ken Haar

school employees participate in a defined benefit plan.

Under the defined benefit pension plan, the employer promises a specified monthly benefit upon retirement that is predetermined by a formula based on the employee's earnings history, tenure of service and age, rather than depending directly on individual investment returns.

Under the cash balance plan, each day participants are guaranteed an interest credit rate that is the greater of 5 percent, or the applicable federal mid-term rate plus 1.5 percent. The member contribution is unspecified, with a school district match of 101 percent.

Nelson said the state is facing considerable funding challenges for pensions and must implement fundamental reforms to be sustainable in the future. Currently, he said, the state has an excess of \$2 billion in unfunded liabilities.

A cash balance benefit plan would allow agencies to offer higher salaries up front and attract more qualified employees, Nelson said.

No one testified in support of the bill.

Jason Hayes, a member of the Nebraska State Education Association, testified in opposition to the bill, saying the defined benefit plan recognizes employee longevity.

"The longer employees work for a district, the greater the benefit they receive," he said. "Switching to a cash balance benefit plan is a significant move that eliminates a longstanding recruiting tool for schools."

John Jensen, a retired teacher, also testified in opposition to the bill. He said a 5 percent return would not provide adequate benefits upon retirement.



Sen. John Nelson

"It would put Nebraska school districts at a disadvantage when they are trying to recruit new teachers," he said. "If you add a weak retirement plan to the fact that [the state] is not paying its teachers well, we will lose a lot of qualified teachers to other states."

Phyllis Chambers, director of the Nebraska Public Employees Retirement Systems, testified in a neutral capacity. She questioned how a cash balance plan would be funded as the plan ages and more retirees begin collecting pensions. In such cases, she said, agencies would need to find alternative funding sources.

Nelson also introduced LB639, which also would switch state patrol officers and judges employed after July 1, 2014 from a defined benefit plan to a cash balance plan.

No one testified in support of the bill.

Nebraska State Bar Association President Marsha Fangmeyer testified in opposition to the bill, saying that switching plans for newly appointed judges would create two separate systems for the same job.

"If the bill passes, it may set a precedent for changing other parts of benefit packages for newly appointed judges," she said. "We oppose the idea that judges working side by side would be compensated differently."

Steve Burns, member of the Nebraska District Judges Association, also testified in opposition, saying that judges typically are appointed when they are older and have more law experience.

Switching careers at an older age is a tough adjustment, he said, so having a reliable retirement plan makes a career change more assuring. That confidence would be "eroded" by switching plans, Burns added.

The committee took no immediate action on either LB638 or LB639.

Revenue

Home-based caregivers could be eligible for tax credits

Individuals providing daily care for an elder with a self-care disability would be eligible for a nonrefundable tax credit under a bill heard by the Revenue Committee Feb. 1.

LB264, introduced by Lincoln Sen. Kate Bolz, defines a qualified individual as someone whose income is between 250 and 500 percent of the federal poverty level. Bolz said she introduced the bill because encouraging home-based care would reduce the number of people receiving Medicaid-funded nursing home care.



Sen. Kate Bolz

"We have an aging population and cost-effective solutions must be found," she said. "While tax credits are available for adult day care expenses, our tax code doesn't acknowledge other contributions to elder care."

Under the bill, a person would qualify for a \$500 credit if they are the primary caregiver of someone who:

- is at least 65 years old;
- lives in the same residence with the caretaker;
- has a physical, mental or emotional condition lasting at least 180 days that makes it difficult to dress, bathe or get around inside the home; and
- has an income that does not exceed 250 percent of the federal poverty level.

A credit of \$500 also is available to qualified caregivers of individuals making less than 250 percent of the federal poverty level and meets other established criteria.

Susan Campbell, a volunteer care-

giver advocate, supported the bill, saying there are many hidden costs associated with providing home care to loved ones.

“My husband was diagnosed with cancer and insurance paid for much of his care,” Campbell said. “But necessities like special clothing and travel expenses for treatments, we paid for those out of pocket.”

AARP representative Mark Intermill also testified in support of the bill. He said home-based care is not only advantageous to caregivers and loved ones, but also the state.

“Every day the caregiver continues to function in that role, the longer we delay a person’s Medicaid dependency,” he said.

There was no opposition to the bill and the committee took no immediate action on it.

Increased tax deductions for college savings program contributions proposed

Persons making contributions to a Nebraska College Savings Program (NCSP) account would see higher tax deductions under a bill heard by the Revenue Committee Feb. 1.

Currently, contributions to a NCSP account are exempt from state income tax up to \$2,500 for a married person filing separately and \$5,000 for a married couple filing jointly.

Under LB296, introduced by Kearney Sen. Galen Hadley, the amount of contributions exempt from income taxes would increase to \$5,000 for a married person filing separately and \$10,000 for a married couple filing jointly.

Omaha Sen. Burke Harr, one of



Sen. Galen Hadley

the bill’s co-sponsors, said it is important to encourage families to take advantage of the deduction and save for their children’s future.

“We need to think about the importance of saving for our children’s future as a parental right,” Harr said.

An adult making contributions to an account established under either the Uniform Transfers to Minors Act or the Uniform Gifts to Minors Act — as well as rollover contributions from another state’s savings program — also would be exempt under the bill.

LB296 also establishes transfer of ownership procedures. In the case of the account owner’s death, ownership automatically would transfer to the owner’s spouse. If the spouse is deceased or otherwise incapacitated, the account’s beneficiary would gain ownership of the account.

Nebraska State Treasurer Don Stenberg supported the bill, saying that growing the Nebraska program should be a priority for the state.

“We are ranked as one of the best college savings programs in the nation,” he said. “This bill would continue to further the savings plan and encourage more people to invest in the plan.”

Courtney VanDeVelde, a policy associate with Voices for Children in Nebraska, also supported the bill. She said research has proven that college savings accounts can be positively correlated with educational success.

“The cost of tuition has moved higher education out of reach for many children,” she said. “We need to encourage more people to take advantage of college savings plans.”

Susan Spahn, representing the Nebraska State Bar Association, opposed the bill. She said the provision transferring ownership of the account to a spouse upon the death of the account owner could be harmful to the beneficiary.

“There are many blended families and the link between a stepparent and stepchild may already be a tenuous one,” Spahn said. “By naming the spouse —who may not have the child’s best interests in mind — as the default successor, you’ve given them the right to take money out or change the beneficiary.”

The committee took no immediate action on the bill.

Urban Affairs

Handicapped parking permit changes proposed

The Urban Affairs Committee heard testimony Jan. 29 on a bill that would amend provisions for temporary handicapped parking permits.

Under LB31, introduced by Kearney Sen. Galen Hadley, a medical professional could issue a temporary handicapped parking permit for either a three- or six-month period. The permit could be renewed once and could not exceed one year.

Currently, a temporary permit may be issued for up to six months and may be renewed once.

Hadley said the bill would make the handicapped parking permit process more efficient.

Beverly Neth, director of the Nebraska Department of Motor Vehicles, testified in support of the bill, saying the healing time of a temporarily injured person can be hard for physicians to predict. In such cases, she said, a temporary permit may be issued only twice before a permanent permit is issued.

Requiring a minimum of three months could reduce permanent handicapped permits that are issued for temporarily injured individuals, she added.

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

Housing authority consolidation planning advances

Lawmakers gave first-round approval Jan. 31 to a bill intended to create a regional housing authority in Omaha.

As introduced by Omaha Sen. Brad Ashford, LB49 would have merged the Omaha Metropolitan Housing Authority and the Douglas County Housing Authority into a permanent, nondissolvable regional housing authority.

Ashford said there are many challenges to creating affordable housing in the Omaha metro area and that merging the existing city and county housing authorities likely would make the process more efficient.

An Urban Affairs Committee amendment, adopted 41-0, replaced the bill and instead would create a joint committee to develop a plan for the creation of a single housing authority in a county with a metropolitan class city. Currently, Omaha is the only metropolitan class city in Nebraska.

Lincoln Sen. Amanda McGill, chairperson of the committee, said the amended bill would allow interested parties to develop a plan and present it to the Legislature, rather than forcing a structure on them.

“I think this is a good compromise that still pushes us in the right direction,” she said.

Under the bill, the committee would consist of two members from the board of each existing housing authority or agency. The original four members of the committee then would select three additional members.

The committee would be required



Sen. Brad Ashford

to report to the Urban Affairs Committee by Jan. 1, 2014.

LB49 advanced to select file on a 39-0 vote.

Appointment terms, biennial budgets advance

Senators advanced four bills from general file Jan. 30 that would modify provisions for primary, first and second class cities and villages. All were introduced by Lincoln Sen. Amanda McGill.

LB87 would provide that an appointee filling a vacancy on an airport authority board would serve the unexpired term of the vacated board member. Currently, an appointee serves only until a successor is elected at the next general election.

McGill said some cities are having issues filling board vacancies because appointed members must soon campaign for the same position. The position would be more appealing if appointees could serve the entire term, she said.

The bill advanced from general file on a 34-0 vote.

LB111 would allow cities of the first and second class and villages to file biennial budgets with the state auditor’s office and county clerk.

State law classifies incorporated cities, villages and municipalities by their population. The city is classified as:

- metropolitan if its population is 300,000 or more;
- primary if its population 100,001 to 299,999;
- first if its population is 5,001 to 100,000;
- second if its population is 801 to 5,000; and
- a village if its population is 100 to 800.



Sen. Amanda McGill

“Budgeting for two years rather than one will give these cities opportunities to do more long-range planning,” McGill said.

The bill advanced from general file on a 34-0 vote.

LB112 would transfer record keeping and reporting on bonds from the city clerk to the city treasurer in first and second class cities and villages. The bill also would require the treasurer to prepare lists of and collect all special assessments.

County treasurers currently must obtain records from city clerks to generate bond reports, McGill said, so it would be more efficient for the treasurer to keep the reports.

The bill advanced from general file on a 31-0 vote.

Finally, LB113 would authorize the mayor of a second class city to vote when it would create a number equal to a majority of the members elected to the council.

Authorizing the mayor to create a super-majority would be helpful in instances in which city purchases must be made or contracts must be signed but a member is absent, she said.

The bill advanced from general file on a 33-0 vote. ■



COMMITTEE HEARINGS

Monday, February 4

Banking, Commerce & Insurance Room 1507 - 1:30 p.m.

LB27 (Hadley) Change experience requirements under the Public Accountancy Act
LB337 (Schumacher) Change provisions relating to the Nebraska Insurers Supervision, Rehabilitation, and Liquidation Act
LB426 (Howard) Change provisions relating to fraternal benefit societies
LB628 (Conrad) Change and extend the Small Business Innovation Act

Business & Labor

Room 2102 - 1:30 p.m.

LB177 (Smith) Provide enforcement and penalty provisions to the Nebraska Wage Payment and Collection Act
LB560 (Mello) Provide enforcement provisions to certain labor and employment acts
LB559 (Mello) Adopt a short-time compensation program under the Employment Security Law
LB248 (Larson) Provide for seasonal employers under the Employment Security Law

Education

Room 1525 - 1:30 p.m.

LB480 (Lathrop) Adopt the Nebraska Career Technical Education Grant Program Act
LB481 (Lathrop) Create the Career Education Task Force
LB366 (Cook) Adopt the Remedial Adult Education Innovation Act
LB367 (Cook) Adopt the Twenty-First Century Developmental Education Act
LB408 (Sullivan) Change dates and provisions relating to certification and distribution of state aid

General Affairs

Room 1510 - 1:30 p.m.

LB6 (Krist) Create the Nebraska Commission on Problem Gambling
LB413 (Schumacher) Change license violation provisions under the Nebraska Liquor Control Act
LB579 (Karpisek) Provide a duty regarding administration and enforcement of the Nebraska Liquor Control Act

Transportation & Telecommunications Room 1113 - 1:30 p.m.

LB117 (Harms) Change provisions relating to permits for overweight vehicles
LB174 (Mello) Change provisions relating to vehicle load contents and spillage
LB398 (Brasch) Change provisions and penalties relating to certain excessively loaded vehicles
LB548 (Schilz) Change a length exception for semitrailers transporting baled livestock forage

Tuesday, February 5

Agriculture

Room 1524 - 1:30 p.m.

LB354 (Larson) Adopt the Nebraska Corn Promotion Act
LB431 (Karpisek) Change definition of food establishment under the Nebraska Pure Food Act
LB166 (Schilz) Change labeling requirements for lawn and turf seed containers

Banking, Commerce & Insurance

Room 1507 - 1:30 p.m.

LB170 (Gloor) Rename and expand the purpose of the Nebraska Educational Finance Authority Act
LB616 (Schumacher) Adopt the Nebraska Money Transmitters Act and eliminate the Nebraska Sale of Checks and Funds Transmission Act and provide penalties
LB38 (Wightman) Change provisions relating to testamentary powers
LB283 (Conrad) Eliminate the Limited Liability Company Act

Education

Room 1525 - 1:30 p.m.

LB539 (Chambers) Prohibit requiring teaching experience for superintendents
LB274 (Nordquist) Adopt the Education Compensation Transparency Act
LB470 (Scheer) Adopt the Superintendent Pay Transparency Act
LB262 (Cook) Provide duties relating to sharing of student information
LB129 (Haar) Change the compensation for members of the Board of Educational Lands and Funds

Transportation & Telecommunications

Room 1113 - 1:30 p.m.

LB445 (Karpisek) Provide funding to the Department of Motor Vehicles to

purchase a vehicle titling and registration computer system
LB446 (Avery) Define the term flood damage for purposes of the Motor Vehicle Certificate of Title Act
LB624 (Pirsch) Provide for fees for copies of motor vehicle accident reports
LB351 (Harms) Require cognitive tests for persons eighty years of age or older obtaining motor vehicle operator's licenses

Urban Affairs

Room 1510 - 1:30 p.m.

LB377 (Johnson) Change provisions relating to annexation of a county road by a city or village
LB591 (Lautenbaugh) Change civil service commission membership
LB633 (Nordquist) Include contract violations under disciplinary provisions of Civil Service Act
LB643 (Davis) Change certain provisions regarding nuisances in cities and villages

Wednesday, February 6

Government, Military & Veterans Affairs Room 1507 - 1:30 p.m.

LB363 (Avery) Change provisions relating to access to public records
LB434 (Price) Provide for emergency management registries for persons with special needs
LB510 (Scheer) Change Open Meeting Act telephone conference call provisions and authorization for videoconferencing and teleconferencing
LB521 (Christensen) Require cities and villages and other public bodies that maintain web sites to publish ordinances and other information as prescribed

Health & Human Services

Room 1510 - 1:30 p.m.

Licensing briefing by DHHS Division of Public Health (Invited Testimony Only)
LB315 (Christensen) Redefine massage therapy and change licensure requirements
LB524 (Christensen) Adopt the Pharmacy Audit Integrity Act
LB243 (Howard) Redefine nurse practitioner practice

Judiciary

Room 1113 - 1:30 p.m.

LB22 (Hadley) Change Parenting Act provisions relating to parenting plans

COMMITTEE HEARINGS

LB212 (Karpisek) Change court-ordered parenting plan provisions of the Parenting Act
 LB124 (Lautenbaugh) Change provisions relating to grandparent visitation
 LB182 (Avery) Change paternity provisions for a child conceived as a result of sexual assault
 LB107 (Lathrop) Change waiver of hearing provisions under the Parenting Act

Natural Resources

Room 1525 - 1:30 p.m.

LB340 (Natural Resources) Change a hearing requirement related to the Nebraska Power Review Board
 LB622 (Haar) Change provisions relating to a report filed with the Nebraska Power Review Board

Nebraska Retirement Systems

Room 1525 - 12:00 p.m.

LB553 (Nordquist) Change provisions relating to school employee retirement
 LB554 (Nordquist) Change provisions relating to school employee retirement

Revenue

Room 1524 - 1:30 p.m.

LB405 (McCoy) Eliminate certain sales tax exemptions, corporate and individual income taxes, and the franchise tax and change other tax provisions

Thursday, February 7

Executive Board

Room 2102 - 12:00 p.m.

LB18 (Nordquist) Prohibit members of the Legislature and certain constitutional officers from participating in the state insurance program
 LR1CA (Larson) Constitutional amendment to change eligibility requirements for members of the Legislature
 LR31 (Campbell) Provide the Executive Board appoint the Children's Behavioral Health Oversight Committee as a special committee

Government, Military & Veterans Affairs

Room 1507 - 1:30 p.m.

LB127 (McGill) Provide for preregistration to vote for 16 and 17 year olds
 LB206 (Schumacher) Require secret-ballot envelopes for mailed ballots
 LB219 (Avery) Change petition requirements for general election ballot
 LB241 (Sullivan) Authorize voters to

change election of county offices from partisan to nonpartisan

Health & Human Services

Room 1510 - 1:30 p.m.

LB105 (Lathrop) Require child care licensees to obtain liability insurance
 LB555 (Nordquist) Adopt the Preparing Students for Educational Success Act
 LB270 (Campbell) Provide for a medicaid state plan amendment relating to services for children with serious emotional disturbance

Judiciary

Room 1113 - 1:30 p.m.

LB403 (Seiler) Prohibit retail sale of novelty lighters
 LB313 (Christensen) Change provisions relating to incarceration work camps
 LB350 (Murante) Add members to the Nebraska Police Standards Advisory Council
 LB267 (Chambers) Prohibit persons on parole, probation, or work release from acting as undercover agents or employees of law enforcement and prohibit admissibility of certain evidence
 LB115 (Lautenbaugh) Change provisions relating to homicide
 LB246 (Larson) Provide for a health care copayment for jail and prison inmates

Natural Resources

Room 1525 - 1:30 p.m.

LB94 (Dubas) Change hunting permit provisions
 LB362 (Avery) Change state park entry permit provisions and provide for a motor vehicle registration fee

Revenue

Room 1524 - 1:30 p.m.

LB406 (McCoy) Change tax provisions

Friday, February 8

Government, Military & Veterans Affairs

Room 1507 - 1:30 p.m.

Appointment: Moody, Tony - Neb. Tourism Commission
 LB98 (Mello) Change provisions relating to administrative rules
 LB371 (Mello) Adopt the Transparency in Government Procurement Act
 LB372 (Mello) Adopt the Buy Nebraska Act and eliminate provisions relating to resident bidder preferences

LB429 (Crawford) Require disclosure of state contracts

Health & Human Services

Room 1510 - 1:30 p.m.

Appointment: Bonta, John - Board of Emergency Medical Services
 Appointment: Bowlin, Karen - Board of Emergency Medical Services
 Appointment: Hynes, Michelle - Foster Care Advisory Committee
 Appointment: Kruback, Sandra - Foster Care Advisory Committee
 LB420 (McGill) Provide authorization for disposition of human remains based on military documents
 LB421 (McGill) Provide powers and duties for professional boards regarding credentialing veterans
 LB422 (McGill) Provide duties for credentialing boards and temporary practice permits for military spouses

Judiciary

Room 1113 - 1:30 p.m.

LB360 (Karpisek) Change court fees, sheriff's fees, identification inspection fees, and handgun certificate fees
 LB202 (Coash) Change provisions relating to DNA collection
 LB318 (McGill) Change duties of law enforcement officers and agencies relating to the taking and distribution of fingerprints
 LB369 (Lathrop) Require licensed service providers for services to probationers and parolees as prescribed
 LB44 (Ashford) Change penalty provisions with respect to Class IA felonies committed by persons under the age of eighteen

Natural Resources

Room 1525 - 1:30 p.m.

LB499 (Brasch) Change powers and duties of Game and Parks Commission

Revenue

Room 1524 - 1:30 p.m.

LB573 (Harr) Change provisions relating to an adjustment to income for certain capital gains and extraordinary dividends
 LB626 (Conrad) Eliminate an income reduction for extraordinary dividends and certain capital gains
 LB327 (Pirsch) Change income tax rates
 LB532 (Conrad) Change income tax rates ■

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