# Legislature adjourns sine die

he first session of the 107th Legislature adjourned sine die May 27, the 84th day of the scheduled 90-day session.

Lincoln Sen. Mike Hilgers, Speaker of the Legislature, thanked senators and staff for their hard work, acknowledging the efforts of many to complete an uninterrupted and "tremendously difficult" session during the ongoing coronavirus pandemic.

"The things we put in place — all-day committee hearings, the submitted written testimony, everything else that made life so difficult for so

many – were really the keys to allow us to get our work done," he said.

Among the challenges faced by lawmakers this year, Hilgers said, were passing the state's two-year budget and approving significant tax reform. Hilgers credited the Legislature's Appropriations Committee for passing what he called one of the best budgets in years, which funded many senators' priorities while holding annual spending growth below 3 percent.

Hilgers also praised lawmakers, and members of the Revenue Committee specifically, for their work in funding



Gov. Pete Ricketts addresses senators in the George W. Norris Chamber on the last day of the 2021 session

new property tax relief and cutting taxes on military retirement, Social Security income, business inputs and residential water service.

"I think it's the most consequential series of tax cut bills that this Legislature has passed, maybe in decades," he said. "All of these things make Nebraska more competitive and more affordable."

Looking ahead to the 2022 legislative session, Hilgers urged senators to think big about how best to continue to move Nebraska forward with a sense of urgency.

"If this Legisla-

ture wants to be as transformative as I believe that it can be, we have to start with an historic first session, but we have to end with a transformative second session," he said.

Gov. Pete Ricketts, in his address to lawmakers, praised senators for approving nearly \$1.7 billion in property tax relief over the next two years. Almost 18.5 percent of the state's biennial budget is dedicated to various tax relief measures, he said.

"This is the most, the biggest, the greatest amount of tax relief any legislature has done in a quarter century — and

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# Legislature adjourns sine die

(continued from front page)

potentially in the history of the state of Nebraska," Ricketts said.

The governor said the Legislature's "quick and decisive" action empowered state agencies to respond effectively to the challenges posed by the coronavirus pandemic.

"Throughout the pandemic, we were always able to provide that hospital bed, that ICU bed or that ventilator to anyone who needed it, when they needed it," he said. "That has allowed us ... to have one of the lowest fatality rates from coronavirus of any state in the nation."

Ricketts said many Nebraskans stepped up to take care of one another, allowing the state to emerge from the pandemic in a strong position.

"Because of the great work of our educators, we have one of the highest rates of kids in classrooms throughout the course of this last school year," he said. "We had the lowest unemployment rate on average of any state in the nation throughout 2020, and we have the lowest unemployment rate in the country today."



Lincoln Sen. Mike Hilgers, finishing his first session as Speaker of the Legislature, thanked senators for their service, dedication and sacrifice during a "historic" year.

vene in early fall for a special legislative session to complete the 2021 redistrict-

The Legislature is scheduled to coning process. The second session of the 107th Legislature is scheduled to convene Jan. 5, 2022. ■



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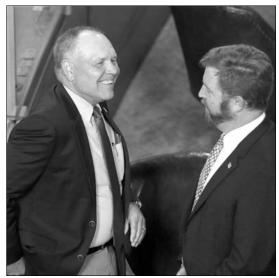
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# Animal shares, independent processor assistance approved

Senators passed a bill May 19 that allows farmers and ranchers to offer livestock ownership shares to customers.

Introduced by Plymouth Sen. Tom Brandt, LB324 allows the acquisition

of meat through an animal share —an ownership interest in an animal or herd of animals created by a written contract between a consumer



Sen. Tom Brandt

and a farmer or rancher — under certain conditions.

Among other requirements, the animal share owner, or someone acting on their behalf, must receive the meat, and the farmer or rancher must provide the consumer with a description of their livestock health and processing standards.

A farmer or rancher who offers an animal share must be a Nebraska resident and maintain a record of each animal share sold. The name and address of each individual with an ownership interest in the particular livestock must be presented to the processor prior to slaughter.

LB324 also creates an independent processor assistance program that, if funds are made available, will provide funding to certain federally inspected, state inspected or custom-exempt slaughter and processing facilities in Nebraska that employ fewer than 25 people.

Recipients may use the funds to pay for capital improvements, utilities upgrades, equipment, technology, building rentals, costs associated with increased inspections and educational and workforce training.

Lawmakers voted 48-0 to pass LB324.

# Livestock Brand Act changes approved

The Nebraska Brand Committee may use electronic devices, nose prints, retinal scans or DNA matches to identify cattle under a bill passed by lawmakers May 20.

LB572, introduced by Hastings Sen. Steve Halloran, allows the committee

to provide for electronic inspection of enrolled cattle identified by certain approved nonvisual identifiers.



Sen. Steve Halloran

The committee will establish procedures for cattle

cedures for cattle enrollment that include providing acceptable certification or evidence of ownership and submit a report to the Legislature describing actions taken to implement electronic inspection. Electronic inspection does not require committee employees to be present.

The bill creates an electronic inspection fee of no more than 85 cents per head and lowers the physical brand inspection fee to the same amount. The new fee schedule takes effect Oct. 1, 2021, and ends June 30, 2023.

LB572 also increases fees for new brand applications and brand renewals and authorizes the committee to charge for actual mileage incurred by an inspector to perform a physical inspection.

Additionally, the bill requires the committee to provide a certified bill of sale and a certified transportation permit to qualified dairies that sell or move calves under 30 days of age out of the brand inspection area. Dairies

first must provide required information electronically to the committee.

LB572 also makes violations of several Livestock Brand Act provisions infractions enforceable by citation. The bill makes it a Class III felony to willfully or knowingly apply, remove, damage or alter an approved nonvisual identifier — or corrupt the information recorded on an identifier — if it is done to steal or falsely assert ownership of livestock.

Finally, under LB572, appointments to the committee are subject to confirmation by the Legislature.

The bill passed on a vote of 47-1.

# APPROPRIATIONS

### State aid to counties for certain federal judgments authorized

Lawmakers gave final approval May 20 to a bill that provides state general funds to counties to pay certain federal judgments.

LB103, sponsored by Sen. Myron Dorn of Adams, appropriates

\$2 million in general funds in fiscal year 2021-22 and FY2022-23 to any county that has a judgment against it from a federal court of more than



Sen. Myron Dorn

\$25 million if the total cost of the judgment exceeds 20 percent of the county's annual budget.

An eligible county must set its property tax levy at the maximum for each year that it receives aid under the bill and any state funds received may be used only for payment of a qualifying judgment.

The bill passed 44-3.

### State funding for tribal health center passed

Lawmakers gave final approval May 20 to a bill that provides state funds to one of Nebraska's federally qualified health centers.

LB185, sponsored by Gordon Sen.

Tom Brewer, appropriate \$531,000 in general funds in fiscal year 2021-22 and FY2022-23 to the state Department of Health and Human Ser-



Sen. Tom Brewer

vices to provide funding to the Fred LeRoy Health and Wellness Center in Omaha.

Senators passed the bill on a 49-0 vote.

### Nonprofit capital construction grant program approved

Lawmakers passed a bill May 20 intended to help jump-start certain construction projects delayed by the COVID-19 pandemic.

LB566, sponsored by Omaha Sen. Mike McDonnell, creates the Shov-

el-Ready Capital Recovery and Investment Fund to provide matching grants to qualifying sports complexes and nonprofits related to arts, culture or the humanities.



Sen. Mike McDonnell

The bill allocates \$15 million in general funds and provides for allocation of additional federal funds subject to the Legislature's appropriations process. It also allows the fund to receive transfers authorized by the Legislature, as well as gifts, grants or bequests from other sources.

The program will be administered

by the state Department of Economic Development, with an application period beginning July 1, 2021, and ending July 15, 2021. Grants will require a one-to-one match from private sources and are capped as follows:

- \$500,000 for projects costing less than \$5 million;
- \$5 million for projects between \$5 million and \$25 million;
- \$10 million for projects between \$25 million and \$50 million;
- \$15 million for projects greater than \$50 million.

Qualifying projects are required to complete their fundraising by Dec. 31, 2021, and construction must commence by June 30, 2022.

LB566 passed 42-3 and takes effect immediately.

### **Highway reporting** requirement passed

Senators approved a bill May 21 intended to provide lawmakers with more information on the progress of highway projects.

LB579, introduced by Columbus Sen. Mike Moser, requires the

state Department of Transportation to include in its annual report to the Legislature information detailing the amount of money spent to



Sen. Mike Moser

date on the state's expressway system, the number of miles yet to be completed and expected milestone dates.

The report also must include a statement of all state highway projects under construction and the estimated cost of each project.

LB579 passed 45-0.

# **BANKING, COMMERCE** & INSURÁNCE

### Digital asset depository bill approved

A bill establishing a state-level regulatory system for digital assets - including cryptocurrency such as Bitcoin – passed May 20.

LB649, introduced by Norfolk Sen. Michael Flood, allows creation of digital asset depository institutions in Nebraska.



Sen. Michael Flood

The bill provides two pathways for managing digital currency: a statechartered bank may create a digital asset division or a digital asset depository may be created under a new charter. Both are regulated by the state Department of Banking and Finance.

Among other provisions, LB649 also:

- establishes procedures for incorporation, operation, liquidation and dissolution of digital asset depository institutions;
- prohibits digital depository institutions from taking cash deposits or lending cash;
- requires a digital depository's headquarters and office of the chief executive officer to be established in Nebraska;
- allows digital depositories to be held by a bank holding company and allows existing bank investment in such a depository;
- requires notice to customers that accounts are not insured by the Federal Deposit Insurance Corporation if applicable;
- requires a surety bond or

pledged investments and specified private insurance;

- authorizes digital depositories to obtain federal deposit insurance if available;
- establishes a minimum capital requirement of \$10 million;
- allows a digital asset depository to use the term "bank" in its name only if it is clear that the entity is managing digital assets;
- allows digital depositories to apply for membership in the Federal Reserve Bank system; and
- authorizes the director of the Department of Banking and Finance and the governor to set the assessment of digital depositories to cover administration costs.

Lawmakers passed LB649 on a 46-2 vote.



## Meatpacking worker protections stall

Lawmakers bracketed a proposal May 18 that would enact health and safety protections for meatpacking workers during the ongoing coronavirus pandemic.

LB241, as introduced by Omaha Sen. Tony Vargas, would require

employers to maintain 6 feet of space around and between each worker, including in common areas like lunch, break and locker rooms.



Sen. Tony Vargas

During the 2020 legislative session, Vargas attempted to incorporate the provisions of LB241 into another measure but the effort was unsuccessful. The rejection of that proposal, he said, resulted in increased COVID-19 cases, hospitalizations and deaths in meatpacking plants.

As amended during general file debate, employers would be required to maintain 6 feet of space in common areas only. If the Centers for Disease Control and Prevention revise COVID-19 guidelines, the state Department of Labor could adjust provisions in LB241 to mirror those recommendations.

Under the bill, employees would be screened for COVID-19 at the start of each shift, including a temperature check — with the result disclosed to the employee — and either an oral or written questionnaire including questions about possible symptoms and exposure.

If a worker suspects they have been exposed to COVID-19, they could leave the meatpacking operation premises to receive a test on paid work time. Employees displaying CO-VID-19 symptoms would be allowed to quarantine at home while awaiting test results, although asymptomatic employees could return to work.

The bill also would ensure paid sick leave for an employee who tests positive that would not count against any other paid sick leave owed to the employee. The protections proposed in LB241 would apply until June 30, 2022.

Kearney Sen. John Lowe offered a motion during select file debate to bracket the bill until June 10, 2021, which effectively would end debate on LB241 for this session. As cases have declined and vaccination rates have increased, Lowe said, the provisions outlined in the proposal have become unnecessary.

Speaking in support of the bracket motion was Blair Sen. Ben Hansen.

He said federal regulations are changing quickly in light of increased vaccination rates.

"Currently, it's best to hold off on creating a new law that targets a specific industry," Hansen said. "Right now, in my opinion, it is not needed."

Vargas opposed the bracket motion. Meatpacking plants that have implemented many of the bill's provisions already should not take issue with codifying those regulations in state law, he said.

The bracket motion prevailed on a 25-18 vote. Twenty-five votes were needed.

### Compensation approved for first responders' families

A bill to provide a one-time death benefit to families of Nebraska first responders killed in the line of duty was passed by the Legislature May 19.

LB255, introduced by Lincoln Sen. Matt Hansen, provides monetary compensation to the family of a law enforcement officer, firefighter, cor-



Sen. Matt Hansen

rectional officer or government or nonprofit EMS ambulance squad member killed in the line of duty, including those who work on a voluntary basis.

Under the bill, a qualifying family member must file for compensation within one year of the death. For first responders killed in 2022, compensation provided will be \$50,000. For each following year, compensation will be equal to the previous year's compensation increased by the percentage increase in the consumer price index for all urban consumers.

The bill defines a line-of-duty death as having occurred within three years of a related incident or injury during

the active performance of an individual's official duties.

LB255 passed on a 38-6 vote.

# Unemployment eligibility expanded

Lawmakers passed a bill May 19 to expand eligibility for unemployment benefits.

LB260, sponsored by Omaha

Sen. Megan Hunt, expands the list of "good cause" reasons to leave employment voluntarily to include caring for a family member with a se-



Sen. Megan Hunt

rious health condition.

The bill allows workers who voluntarily have left employment to care for a family member, but who are seeking to return to employment and meet all other existing requirements, to be eligible for unemployment benefits.

The bill passed on a 33-11 vote.

### Immigrant worker unemployment benefits advance

Lawmakers gave first-round approval May 18 to a bill that would expand unemployment benefit eligibility.

Currently, Nebraska employers pay unemployment insurance taxes for all employees — including eligible work-authorized immigrants who are barred under state law from receiving unemployment benefits.

LB298, sponsored by Omaha Sen. Mike McDonnell, would allow work-authorized immigrants to collect unemployment benefits



Sen. Mike McDonnell

when otherwise qualified.

McDonnell said Nebraska is the only state that continues to deny unemployment benefits to these workers.

"[The bill] will address the gap in access to unemployment benefits currently being denied to otherwise qualified and legally present workers in the state of Nebraska," he said.

Under a Business and Labor Committee amendment, adopted 33-0, an individual eligible for benefits under LB298 first would have their employment authorization verified through the federal Systematic Alien Verification for Entitlements program.

The bill advanced to select file on a 26-9 vote.

# **EDUCATION**

# Statewide school safety reporting system approved

Lawmakers approved a statewide school safety reporting program May 19.

LB322, sponsored by Gothenburg Sen. Matt Williams, requires the

state Department of Education to establish a statewide, anonymous reporting system to support threat assessment teams with the goal of



Sen. Matt Williams

reducing violent incidents.

The reporting system — the Safe-2HelpNE report line—allows students, school staff, parents and community members to report information about concerning behavior or possible harm to people or property anonymously and free of charge by telephone, mobile app, website or email.

The report line will be available to any public or nonpublic school that

has a threat assessment team and maintains a current list of contact information for at least five team members designated to receive alerts from report line staff 24/7.

Report line staff immediately will alert the appropriate threat assessment team of any concern directly regarding a student, school staff member or school property or that is likely to impact a student, school staff member or school property.

The bill requires parental notification within a reasonable period if a report regarding a student is deemed credible, unless such notification reasonably could be believed to contribute to the endangerment of the student or others. Any information or material in the possession of the threat assessment team will remain separate from educational records.

LB322 will be funded with federal CARES Act funds through fiscal year 2022-23. The department then will conduct a cost-benefit analysis and report to the Legislature with recommendations regarding continued funding.

Senators voted 41-5 to pass the bill.

# Statewide farm-to-school program adopted

A Nebraska farm-to-school program will provide locally grown and minimally processed food to elementary and secondary school students under a proposal passed by lawmakers May 20.

LB396, introduced by Sen. Tom

Brandt of Plymouth, requires the state Department of Education to hire a coordinator to administer the program, which also may provide



Sen. Tom Brandt

students with hands-on learning activities, such as farm visits, cooking demonstrations and school gardening and composting programs.

The coordinator will partner with public agencies and nonprofits on a public engagement campaign and build a communication network that links farmers and schools.

They also will encourage schools to develop and improve their nutrition plans using locally grown or processed food and provide technical assistance to school food services staff, farmers, processors and distributors regarding the demand for and availability of Nebraska food products.

The bill passed on a 48-0 vote.

## Financial literacy requirements adopted

Lawmakers gave final approval May 20 to a bill intended to improve the personal finance skills of Nebraska students.

LB452, introduced by Omaha Sen. Terrell McKinney, requires each school

district to include financial literacy in its elementary and middle school instructional program. The bill also requires all students to complete



Sen. Terrell McKinney

at least one five-credit high school course in personal finance or financial literacy as a graduation requirement.

Under the bill, financial literacy includes knowledge and skills regarding budget and financial record keeping, taxes, debt, savings, risk management, insurance, investment strategies and establishing, building, maintaining and monitoring credit.

The State Board of Education will adopt measurable academic content standards for financial literacy as part of the state's social studies standards. Beginning Dec. 31, 2024, each school district is required to provide an annual financial literacy status report to its school board.

Senators passed LB452 on a 49-0 vote.

# Earlier transition services for students with disabilities approved

Nebraska public schools will provide transition services to each student with a developmental disability two years sooner under a bill passed by lawmakers May 19.

Schools are required to provide a coordinated set of activities that help prepare qualified students for life after high school — including postsecondary education, vocational training, integrated employment, continuing and adult education, adult services, independent living and community participation.

Under LB527, sponsored by Fremont Sen. Lynne Walz, schools will provide transition services to those students begin-



Sen. Lynne Walz

ning when they turn 14 rather than 16.

The bill passed on a vote of 48-0.

# Education cleanup, extension of lottery allocations passed

Lawmakers approved a bill May 20 that makes several technical changes to education law and extends current allocations of lottery funds to education-related programs.

LB528, sponsored by Fremont Sen. Lynne Walz, extends the sunset date to school year 2020-21 for a grant program meant to improve teacher effectiveness, expands the list of programs eligible for the Community College Gap Assistance Program and changes eligibility requirements for the Access College Early Scholarship Program.

The bill also specifies that the purchase of computer technology or equipment and internet access and related services are qualified higher education expenses under the Nebraska educational savings plan trust.

Additionally, each school board must require that the telephone number for a national or local suicide prevention hotline or a crisis text line be included on new student identification cards beginning with the 2022-23 school year.

Public postsecondary institutions also will include one of those numbers on new student ID cards beginning with the 2022-23 academic year.

During second-round debate May 18, Walz introduced an amendment that extends the current allocation of lottery funds to several education-related programs, including need-based college scholarships for Nebraska students, through fiscal year 2023-24. The allocations had been set to expire at the end of this fiscal year.

Walz said she introduced the amendment after LB529, which would have set new allocations for the next five years, stalled on select file after a failed cloture motion. She said the amendment was lawmakers' last chance this session to ensure that lottery funds are available for scholarships and programs for the upcoming school year.

The amendment, adopted 43-0, also requires any department or agency receiving a transfer of lottery funds — or administering a fund that receives a transfer — to submit a report each year to the state auditor of public accounts with information on how the money is used. The auditor will compile annual summaries of those reports and

submit them to the Legislature.

LB528 also includes provisions of LB3, introduced by Sen. Tom Briese

of Albion. They require the state Department of Education to establish and maintain a website where the public may access school finan-



Sen. Tom Briese

cial data at the statewide and district levels. The website will include total receipts, receipts classified by source, total expenditures, cost per pupil and performance.

Also included are provisions of LB558, sponsored by Omaha Sen.

Tony Vargas, that require the state commissioner of education to grant a temporary teaching certificate to any applicant who has completed a



Sen. Tony Vargas

teacher education program at a standard institution of higher education and has a certificate to teach in good standing from another state.

LB528 passed on a vote of 48-0.

### Education lottery fund proposal stalls

A bill that would allocate state lottery funds to behavioral awareness and intervention training stalled on the second round of debate May 18 after a failed cloture motion.

LB529, introduced by Fremont Sen. Lynne Walz, would allocate lottery funds to more than a dozen education programs for fiscal years 2021-22 through 2025-26.

Under one new program, school districts would ensure that teachers, administrators, paraprofessionals, school nurses and counselors receive

evidence-based behavioral awareness and intervention training beginning with the 2023-24 school year.

Sen. Machaela Cavanaugh of Omaha filed a motion to recommit the bill to the Education Committee. She said she filed the motion, which failed on a vote of 0-40, to prevent the Legislature from considering a "poison pill" amendment introduced by Sen. Dave Murman of Glenvil.

The amendment would authorize teachers, administrators and other school personnel to use an "emergency safety intervention," defined in part as a "physical intervention intended to hold a student immobile or limit a student's movement," in order to protect the student or another person from physical injury.

An emergency safety intervention could be used only to protect people from harm or secure property if such action would protect a student, school personnel or other person from imminent serious physical injury.

Teachers and other personnel would not be subject to professional or administrative discipline for harm caused by an act or omission related to the use of an emergency safety intervention unless it was caused by gross negligence.

The amendment also would require each school district to create and adopt a classroom removal policy describing when and how a teacher could request that a school administrator remove a disruptive student from a classroom and when the student may return to the classroom.

Murman said the amendment was the result of negotiations with school groups and advocates for those with disabilities. He said it is intended to protect all students and school employees.

North Platte Sen. Mike Groene said the amendment would ensure

classroom safety. He said the main component of LB529 — the proposed behavioral awareness and intervention training—would be unnecessary unless lawmakers also authorized teachers to use emergency safety interventions.

Sen. John Arch of La Vista said Murman's proposal would provide clear guidance for teachers and allow them to restrain a student only when the student's actions threaten serious injury to another person.

Lincoln Sen. Matt Hansen said the amendment would allow teachers who injure students to avoid administrative or professional discipline as long as their actions were not grossly negligent, which he called an "incredibly high standard."

"That's not a standard I can even come close to supporting," he said.

Additionally, Hansen said, certain groups that advocate for those with disabilities were not included in discussions that led to Murman's proposal and they have concerns about its provisions.

Sen. Terrell McKinney of Omaha said the amendment would give "immunity" to teachers who injure students. McKinney said he was not included in the negotiations, even though school discipline disproportionately affects minority students.

"How could you have a compromise without inviting those that are representing communities that are most affected to the table?" he said.

After four hours of select file debate, Walz filed a motion to invoke cloture, which would end debate and force a vote on the bill and any pending amendments. The motion failed on a vote of 28-11. Thirty-three votes were needed.

A failed cloture motion results in debate on a proposal ceasing for the day. LB529 was not scheduled for further debate this session.

### Classroom air filter study authorized

The state will install high-quality air filters in certain classrooms to study their effect on student test scores and behavior under a bill passed May 20.

LB630, introduced by Lincoln

Sen. Eliot Bostar, requires the state Department of Education to develop and implement a two-year pilot program to study the efficacy



Sen. Eliot Bostar

of commercial air filters to remove air pollution from classrooms and their impact on academic performance and behavior.

The pilot program will include 50 schools, with six participating classrooms of students in Grades 3 through 8 in each school. Half of the classrooms will be assigned to the control group.

Participation is voluntary and no more than 50 percent of participating schools will be from the same school district. The department will submit the study results to the Legislature.

LB630 passed on a 44-2 vote.

# Seizure action plans for students approved

Lawmakers passed a bill May 19 that requires each public, private, denominational and parochial school in Nebraska to create individualized health plans for students with seizure disorders.

Under LB639, introduced by Omaha Sen. Jen Day, a school with an enrolled student who has a seizure disorder and



Sen. Jen Day

requires medication must have at least one employee at each school building who is trained to recognize and respond to seizures and administer the medications.

Before a school employee may administer seizure medication, a student's parent or guardian must provide a written authorization, a written statement from the student's doctor and the medication in its unopened, sealed package with the intact label affixed by the dispensing pharmacy.

A parent or guardian also must collaborate with school employees to create a written, individualized health plan to acknowledge and prepare for the health care needs of a student diagnosed with a seizure disorder. Each student's seizure action plan must be distributed to any school personnel or volunteers responsible for them.

A student must be allowed to possess the supplies, equipment and medication necessary to treat a seizure disorder if specified in the student's seizure action plan.

LB639 also requires each certificated school employee to review seizure disorder materials at least once every two school years beginning in school year 2022-23.

Finally, the bill requires the State Board of Education to develop requirements for school employee training programs, procedures for developing seizure action plans and the content of those plans.

Senators voted 44-3 to pass LB639.

# Priority college admission for service members passed

Certain uniformed service members will receive priority college admission under a bill passed by lawmakers May 19.

LB669, introduced by Omaha Sen. Tony Vargas, requires Nebraska's public postsecondary institutions to accept military and veteran students who apply to enroll as undergraduates if they otherwise meet admissions requirements.



Sen. Tony Vargas

A student who graduates from a Nebraska high school on or after Jan. 1, 2022, signs enlistment papers to serve in a uniformed service and meets other requirements related to the length of their service is eligible.

Nebraska high school graduates and individuals who graduate from high school in another state on or after Jan. 1, 2002, and serve in a uniformed service while assigned to a location in Nebraska also qualify if they receive an honorable discharge.

LB669 passed on a vote of 38-0 and takes effect immediately.

# EXECUTIVE BOARD

# Crisis hotline task force approved

A task force will study the implementation of a crisis hotline in Nebraska under a bill passed May 19.

LB247, sponsored by Lincoln Sen. Patty Pansing Brooks, establishes the

Mental Health Crisis Hotline Task Force to create an implementation plan for the 988 crisis hotline established by the



Sen. Patty Pansing Brooks

federal government in 2020.

The task force will identify a method to integrate local mental health

crisis hotlines to ensure everyone who accesses such a hotline is connected to a qualified mental or behavioral health professional regardless of the time, date or number of individuals simultaneously attempting to access a hotline.

The task force also will develop a plan for staffing a statewide mental health crisis hotline.

Voting members include the chairpersons of the Health and Human Services, Judiciary and Transportation and Telecommunications committees and two at-large members of the Legislature appointed by the Executive Board.

Representatives from the state Department of Health and Human Services and the Public Service Commission — along with advocacy, education, law enforcement and behavioral and mental health provider representatives — are nonvoting members.

The task force will issue a report to the Legislature by Dec. 17, 2021, regarding implementation plans and recommendations and will terminate Dec. 31, 2022.

LB247 passed on a 46-0 vote and takes effect immediately.

### Committee hears series of legislative resolutions

The Executive Board took testimony May 19 on resolutions introduced to counter a recent effort to outline legislative positions on a list of perceived threats posed to the U.S. Constitution by the federal government.

Omaha Sen. Megan Hunt introduced three resolutions that would call upon state senators to "express a firm



Sen. Megan Hunt

resolution" to support the following:

- LR118, which would defend the U. S. Capitol and the democratic election process;
- LR121, which would defend the right of Nebraskans to an "urgent, robust and professional" response to the COVID-19 pandemic; and
- LR130, which would defend the viability of the planet and its natural resources from the threat of climate change.

Hunt said the measurers were a response to the "deeply partisan and factious" nature of LR107, sponsored by North Platte Sen. Mike Groene, which she said should not be "codified" as representing the beliefs of all Nebraskans.

"I would like to present some alternatives," Hunt said.

Ken Winston testified in support of all three resolutions, saying the Legislature should focus on creating policy that benefits all Nebraskans despite their political differences.

"Please support facts, science and working together," he said. "Let's make America better than it's ever been."

Jennifer Hicks, testifying in opposition to LR118, said all the protests that she attended in Lincoln after the 2020 election were peaceful. She said she knew individuals who also were at the U.S. Capitol on Jan. 6, 2021, and that such gatherings were a "pursuit of the truth."

"I have grave concerns that our election process was not a free and fair one," Hicks said.

Testifying in a neutral capacity, Rachel Gibson said Nebraska residents hold a wide variety of views and feel passionately about them. As a result, she said, highly partisan resolutions from either side of the political spectrum that purport to speak for

all Nebraskans should be avoided in the state's officially nonpartisan Legislature.

"Your voice as the Legislature is the formal voice of us as the people," Gibson said.

The committee took no immediate action on the proposals.

# GENERAL AFFAIRS

### Omnibus liquor law bill passed

Lawmakers approved a number of changes to Nebraska liquor laws May 20.

LB274, introduced by Sen. John Lowe of Kearney, creates a new

promotional farmers market special designated license. Under the bill, farm wineries, craft breweries and microdistilleries that currently are



Sen. John Lowe

licensed to manufacture alcoholic beverages may apply for the SDL, which allows sales at any farmers market for one year, subject to local approval.

Previously, such entities were required to apply for an SDL for each event at which they sold alcohol.

LB274 also increases the maximum number of gallons that a Nebraska microdistillery may produce annually from 10,000 to 100,000.

The bill includes provisions of LB578, introduced by Omaha Sen. Tony Vargas, which authorizes ready-to-drink cocktails as a new category of alcoholic beverage – defined as spirits in an original container with up to 12.5 percent alcohol – and sets the excise tax at 95 cents a gallon.

Also included are provisions of

LB72, sponsored by Sen. Suzanne Geist

of Lincoln, which allow the holder of a Class C, I or Y liquor license to sell alcohol not in the original package - such as a mixed drink, cocktail or



Sen. Suzanne Geist

wine slushy – for consumption off premises.

The holder of a Class B, C, D, L, Y or Z retail liquor license may sell alcohol to an individual 21 or older who is in a motor vehicle if the alcohol is sold along with food. Alcohol must be placed in the vehicle's trunk or in an area behind the last upright seat.

Senators passed LB274 on a 45-0 vote. It takes effect immediately.

### Casino regulation finalized

A bill that implements provisions of a constitutional gaming amendment approved in 2020 passed May 20.

Last November, Nebraska voters legalized all forms of games of chance at licensed horse racetracks through

an initiative petition drive. LB561, introduced by Sen. Tom Briese of Albion, provides the regulatory framework necessary to implement that



Sen. Tom Briese

constitutional amendment.

Among other provisions, the bill:

- allows wagering on sporting events at racetracks in the state;
- prohibits wagering on high school youth sports;
- establishes a system for filing complaints;
- prohibits the use of credit cards to place bets;
- renames the State Racing Commission to the State Racing and

Gaming Commission;

- raises the legal age to wager on horse racing from 19 to 21;
- establishes a process for allowing individuals to be excluded voluntarily from wagering; and
- classifies manipulation of a game of chance or gaming machine as a Class I misdemeanor.

LB561 also prohibits betting on Nebraska college teams when they are playing in state and requires that keno played at racetrack casinos operate in accordance with the same state regulations that govern existing keno parlors.

The bill passed on a 44-3 vote and takes effect immediately.

# GOVERNMENT, MILITARY & VETERANS AFFAIRS

### Omnibus gun bill passed

A bill that updates several concealed carry provisions and the state's Uniform Controlled Substances Act passed May 21.

LB236, as introduced by Sen. Tom

Brewer of Gordon, would have allowed counties to authorize residents to carry a concealed weapon without a state-issued permit. Those provisions



Sen. Tom Brewer

were removed from the bill and replaced by provisions of four other bills:

> • LB85, introduced by Brainard Sen. Bruce Bostelman, which requires the Nebraska



Sen. Bruce Bostelman

- State Patrol to notify the holder of a concealed carry permit four months prior to the permit's expiration;
- LB173, introduced by Blair Sen. Ben Hansen, which exempts

from concealed carry prohibitions the transportation of a firearm in a vehicle for lawful pur-



Sen. Ben Hansen

poses or carrying a concealed weapon directly to or from a vehicle if the firearm is unloaded, stored in a case and kept separate from ammunition;

• LB244, introduced by Elmwood Sen. Robert Clements, which allows a 30day grace



Sen. Robert Clements

period to renew a concealed carry permit; and

• LB301, also introduced by Hansen, which removes CBD contained in a product approved by the FDA from the definition of hashish or concentrated cannabis and updates Nebraska drug schedules and penalties to conform to federal law.

Senators passed LB236 on a 45-0

### Service member grave marker eligibility expanded

More Nebraska service members are eligible to receive a military grave marker under a bill passed May 19.

Under LB261, introduced by Elkhorn Sen. Lou Ann Linehan, a Nebraska National Guard member who served on or after July 1, 1973, or served in active duty federal service is eligible. The bill also removes a requirement that a member of the



Sen. Lou Ann Linehan

armed forces have served during wartime to receive a marker. Markers will be available to all members of the armed forces who served in active duty or the U.S. reserve forces.

Senators passed LB261 on a 41-0 vote.

# HEALTH & HUMAN SERVICES

## Lawmakers override veto; SNAP eligibility expanded

Senators voted May 26 to override a veto of a bill expanding eligibility for the federal Supplemental Nutrition Assistance Program, formerly known as food stamps.

Nebraska families making up to 165 percent of the federal poverty level are eligible for SNAP benefits under LB108, introduced by Sen.

John McCollister of Omaha. Previously, a family was eligible for the program with a gross income of 130 percent or less of FPL and an adjusted



Sen. John McCollister

net income — after deducting expenses such as housing and child care — of 100 percent of FPL or less.

Expanded SNAP eligibility under the bill will terminate Sept. 30, 2023, when the gross income eligibility limit will return to the previous level.

SNAP benefits are funded entirely by the federal government and all administrative costs associated with LB108 will be covered through the federal American Rescue Plan Act.

Lawmakers passed the bill on a 33-11 vote May 20 and it took effect immediately.

Gov. Pete Ricketts expressed concern in his veto letter that the Legislature would continue the expanded eligibility after the scheduled expiration date, and that the bill would deter Nebraskans from returning to work as the state recovers from the pandemic.

"We should remove any incentives that would slow reopening, regrowth, re-employment and reconnecting," he said.

McCollister filed a motion to override the veto. He said SNAP recipients are required to be employed or in school unless they are disabled or caring for a child under the age of six or an elderly relative.

"SNAP benefits are efficient, effective and beneficial to all of our local economies," McCollister said. "There's no direct link between SNAP enrollment and the Nebraska unemployment rate."

Gering Sen. John Stinner supported the override motion, saying the bill would benefit the working poor and have "zero" fiscal impact on the state.

Also in favor of the override was Lincoln Sen. Adam Morfeld, who said 75 percent of SNAP recipients have a job, and that he benefitted from SNAP as a child.

"I'm really glad that those benefits were there for my family because it allowed me to be able to go to school and think about school — and arithmetic, and science and social studies — instead of thinking of where my next meal was going to be," he said.

Sen. Steve Erdman of Bayard op-

posed the motion. He agreed with the governor that businesses in his district are struggling to find workers because benefit programs like SNAP are too generous.

"When government assistance and government programs are the company that you compete with, and you're a private business, you lose," Erdman said.

Also in opposition was North Platte Sen. Mike Groene, who said the pandemic-fueled economic crisis has ended and so should expanded benefit programs.

Senators voted 30-19 to override the veto. Thirty votes were required.

# Veto of home energy assistance expansion overridden

Lawmakers successfully overrode a veto May 26 of a bill expanding a program that assists low-income homeowners in Nebraska.

LB306, introduced by Sen. Tom

Brandt of Plymouth, increases the eligibility threshold for the low-income home energy assistance program from 130 percent of the fed-



Sen. Tom Brandt

eral poverty level to 150 percent. The bill also requires the state Department of Health and Human Services to allocate at least 10 percent of program funds to weatherization assistance.

Senators passed the bill on a 38-6 vote May 20.

In a veto statement, Gov. Pete Ricketts said LB306, which is funded with federal dollars through Sept. 30, 2022, creates a permanent benefit with temporary funding.

"When those one-time federal dollars run out, the most in need will be disadvantaged by receiving a smaller share of the regular LIHEAP program funds," Ricketts said.

Brandt said the bill makes the program more efficient. Currently, he said, LIHEAP is funded through a federal block grant and funds left over at the end of the year must be returned to the federal government. To avoid this, DHHS allocates supplemental payments to homeowners, he said.

"LB306 will make the program more efficient by eliminating the supplemental payments away from those customers who do not need them and reallocating the funds to more people who actually need assistance," Brandt said.

Lawmakers overrode the veto on a 32-15 vote. Thirty votes were needed.

## Developmental disability waiver proposal stalls

A bill intended to supplement existing services for children with developmental disabilities in Nebraska did not advance from select file May 18 after a motion to end debate and force a vote on the proposal failed.

LB376, as introduced by Omaha Sen. Machaela Cavanaugh and amend-

ed on general file, would require the state Department of Health and Human Services to apply for a three-year Med-



Sen.MachaelaCavanaugh

icaid waiver to start a family support program for developmental disability services. The program would:

- have an annual budget for long-term services and supports capped at \$10,000 per person;
- cap participation at 850 individuals or families;
- offer Medicaid eligibility for children with disabilities by

disregarding parental income;

- be administered by the state Division of Developmental Disabilities of DHHS; and
- allow families to self-direct services.

The family support program would be set at an intermediate care facility institutional level of care. The bill also would require DHHS to collaborate with private nonprofits, if private funding is available, to complete an independent evaluation of the program.

Cavanaugh said that waiving the income eligibility requirement would expand program access to several hundred Nebraska children who otherwise qualify for developmental disability services but currently do not receive them.

"These services are very expensive," she said. "That's why waiving this income eligibility is so critical to these 403 [kids]. They're going to get the full array of medical services that they need to thrive as adults."

La Vista Sen. John Arch supported the bill, calling it a way to address the needs of nearly 3,000 Nebraskans who currently are awaiting developmental disability services. By expanding the program to more children for three years, the state could determine whether early intervention could prevent institutional care later in life, he said.

"This was an attempt to strategically address this wait list, not to simply put more dollars to it," Arch said.

Sen. Julie Slama of Peru opposed the bill. She said LB376 would only temporarily address the current wait list and possibly could create a second wait list.

"Once [an individual reaches] adulthood, the individual would likely need to go back onto the larger developmental disabilities wait list so we'll see a doubling back ... this would create a services cliff," Slama said.

Kearney Sen. John Lowe also opposed the bill, saying its general fund impact — estimated at \$3.8 million in fiscal year 2021-22 and \$7.7 million in FY2022-23 — was too high. He also expressed skepticism that the new waiver program would end in three years.

"Once we start something, we never get rid of it," Lowe said.

After four hours of discussion, Cavanaugh filed a motion to invoke cloture. The motion, which needed 33 votes to end debate, failed 30-11. A failed cloture motion results in debate on a proposal ceasing for the day. LB376 was not placed on the agenda again this session.

### YRTC changes approved

A bill establishing educational standards at youth rehabilitation and treatment centers in Nebraska passed May 20.

LB428, introduced by the Health and Human Services Committee, requires that YRTC residents receive educational opportunities equivalent to those offered to students at Nebraska public schools. Under the bill, each YRTC must maintain accreditation by the state Board of Education and provide age-appropriate and developmentally appropriate educational programs.

The measure includes provisions of four other bills, all introduced by the committee:

- LB425, which requires the state Department of Health and Human Services to hire a consultant to perform a needs assessment and cost analysis for an inpatient adolescent psychiatric unit at the Lincoln Regional Center. The assessment must be submitted to the committee by Dec. 1, 2021;
- LB427, which prohibits DHHS

from delaying inpatient or subacute substance abuse or behavioral health residential treatment for youth under the jurisdiction of a juvenile court when such treatment has been determined necessary after the youth's commitment to the state Office of Iuvenile Services or has been ordered by a juvenile court;

- LB429, which requires DHHS to notify the Legislature quarterly of substantial changes it intends to make to facilities and programs; and
- LB570, which requires that the Legislature complete an evaluation of the state's privatization of child welfare case management in the eastern service area by Dec. 31, 2021, and approve hiring a consultant to assist in the evaluation.

Senators passed LB428 on a 49-0 vote.

### Child care assistance temporarily expanded

More Nebraskans are eligible for subsidized child care assistance under a bill passed May 19.

LB485, introduced by Bennington Sen. Wendy DeBoer, increases the income eligibility limit of the Child Care

Subsidy program from 130 percent of the federal poverty level to 185 percent. The bill also increases transitional child care income eligibility from 185 percent of FPL to 200 percent.



Sen. Wendy DeBoer

Expanded eligibility will end Sept. 30, 2023, and the bill's cost will be paid through existing federal block grant funds.

Lawmakers passed LB485 31-6.

### **JUDICIARY**

### Law enforcement standards increased

Lawmakers passed a bill May 20 that increases certification and training standards for Nebraska law enforcement officers.

Under LB51, sponsored by Omaha Sen. Steve Lathrop, the current 20

hours of annual continuing education required of all officers increases to 28 hours in 2022, and 32 hours in 2023 and subsequent years.



Sen. Steve Lathrop

The bill requires a psychological evaluation of any applicant who has not worked previously in law enforcement to determine fitness for duty. Applicants seeking entry-level law enforcement certification will be required to complete de-escalation training related to mental health behaviors, substance abuse, anti-bias, implicit bias and crisis communication.

An applicant seeking certification as a law enforcement officer will be required to testify under oath that their certification has never been revoked or suspended in another jurisdiction and they have not been separated from employment or disciplined for serious misconduct or a violation of their oath of office, code of ethics or statutory duties.

LB51 also authorizes the appointment of noncertified conditional officers, pending acceptance into a formal law enforcement training program. These officers will discharge their duties under the direct supervision of a field training officer and be restricted from carrying a firearm.

A noncertified conditional officer may, only with direct supervision and guidance from a training officer, ride in a marked police cruiser, make arrests, interview suspects, victims or witnesses or carry out other law enforcement functions. The bill places a 16-week restriction on a noncertified conditional officer's service.

The Nebraska Commission on Law Enforcement and Criminal Justice will prioritize smaller law enforcement agencies when awarding grants to offset the costs of accreditation and training.

LB51 also contains provisions

of LB601, originally sponsored by Omaha Sen. Terrell McKinney.

Those provi-



sions require the Nebraska Com-

mission on Law Sen. Terrell McKinney Enforcement and Criminal Justice to post information on its public website regarding law enforcement officers who have voluntarily surrendered their certification or had it revoked, been convicted of or pleaded guilty or no contest to a felony or Class I misdemeanor or been found to have engaged in serious misconduct.

LB51 also prohibits a police officer from intentionally using a chokehold on a person, except when deadly force is authorized.

Similarly, an officer is prohibited from using a carotid restraint control hold – a method of rendering a person unconscious by restricting blood flow by compressing the carotid arteries in the neck - on any person unless the officer believes the individual would cause death or bodily injury to others or deadly force is authorized and the officer is trained in the restraint technique.

Finally, the bill requires the commission to develop accreditation standards for law enforcement agencies. Beginning Jan. 1, 2023, the commission will publish a list of unaccredited agencies annually. An unaccredited law enforcement agency will be ineligible to receive loans, grant funds or donations from the commission until it achieves accreditation.

LB51 passed on a 41-1 vote.

# COVID-19 liability protections adopted

Senators approved a proposal May 20 intended to prohibit frivolous coronavirus-related lawsuits.

LB139, sponsored by Albion Sen.

Tom Briese, provides "safe harbor" from potential lawsuits alleging that a protected individual or organization — including health care providers, first



Sen. Tom Briese

responders, schools, restaurants, businesses, churches and senior care facilities — negligently exposed an individual to COVID-19 infection.

The bill prevents civil action as long as the protected individual or organization was acting in compliance with federal public health guidelines in place at the time of an alleged exposure.

LB139 includes provisions of LB53,

originally sponsored by Omaha Sen. Steve Lathrop, that implement a health care crisis protocol developed by the Nebraska Medical Emergency Operations Center.



Sen. Steve Lathrop

The protocol establishes criteria for the triage and application of medical services and resources under extraordinary circumstances when the level of demand for services exceeds the available resources required to deliver the generally accepted standard of care.

The bill passed on a 41-1 vote.

# Pretrial DUI sobriety program approved

Individuals awaiting trial for driving under the influence of alcohol and other drugs may enroll in an alternative diversion program under a bill passed by lawmakers May 19.

LB271, sponsored by Lincoln Sen.

Adam Morfeld, authorizes countylevel 24/7 sobriety programs created by the sheriff or a designated entity. Under the bill,



Sen. Adam Morfeld

a person awaiting sen. Adam Moneid trial for driving under the influence can join a voluntary 24/7 sobriety program as a condition of bail and submit to twice-daily sobriety testing or use of a continuous alcohol monitoring device. Participants must agree not to consume alcohol or any drug not prescribed by a physician while

LB271 also authorizes a special motor vehicle operating permit for individuals enrolled in a 24/7 sobriety program. The permit is subject to court approval, a \$45 issuance fee and at least 30 consecutive days in the program without sanction.

enrolled in the program.

An individual will be ineligible for a permit if they are subject to an unrelated suspension, cancellation or revocation of their license or are under a required no-driving period.

An individual with a 24/7 sobriety permit found to be driving under the influence or who refuses a chemical test is guilty of a Class III misdemeanor, punishable by up to three months imprisonment, a \$500 fine or both.

The bill passed on a 36-11 vote.

## **Emergency YRTC placements** approved

Juveniles housed in the state's youth rehabilitation and treatment centers can be moved more quickly during an emergency situation under a bill passed May 19.

LB273, sponsored by Kearney Sen.

John Lowe, allows the state Department of Health and Human Services to file an immediate change of placement motion to transfer a juve-



Sen. John Lowe

nile to a different facility. A hearing on the motion must be held within 24 hours and can be conducted by telephone or videoconference.

An immediate change of placement may be filed in cases when a juvenile requires additional specialized care to address substance use or behavioral health needs. A qualifying emergency also can include a public health emergency, natural disaster or damage that renders a YRTC uninhabitable.

The court will order a temporary emergency change of placement if it determines that the change is appropriate and in the best interests of the juvenile. The court must notify a juvenile's parent or guardian of the motion to transfer, including notice that the hearing will be held within 24 hours.

Additionally, the department is required to provide all parties of record with the evidence and witnesses to be presented during an emergency hearing. The juvenile will have an opportunity to consult with legal counsel and review the motion and all evidence before the hearing.

LB273 passed on a 40-0 vote.

### Juvenile court standards expanded

Lawmakers passed a bill May 19 that ensures legal consultation for juveniles facing serious criminal charges.

Under LB307, sponsored by Lincoln Sen. Patty Pansing Brooks, if

a juvenile who is charged with a felony waives the right to legal counsel, the court is required to show affirmatively that the



Sen. Patty Pansing Brooks

juvenile will not be removed from their home or detained outside of the home:

- between adjudication and disposition of the case;
- during any probationary period;
- in response to an alleged probation violation.

The Nebraska State Supreme Court will develop a process to ensure that a juvenile is provided with an opportunity to consult counsel in making the initial decision to waive counsel. An initial consultation with counsel is not required if the juvenile and their family already have conferred with private counsel before the hearing.

The bill includes provisions of LB354, originally sponsored by Omaha Sen. Steve Lathrop, which require a judge to consider a motion to transfer a criminal case to juvenile court within 30 days.

LB307 passed on a 29-6 vote.

# NATURAL RESOURCES

### Nonresident park entry fees increased

Lawmakers approved a bill May 20

that increases state park entry fees for nonresidents.

Introduced by Venango Sen. Dan Hughes, LB336 sets the annual permit

fee for a nonresident motor vehicle at twice the fee for a resident motor vehicle or \$60, whichever is greater.



Sen. Dan Hughes

for a temporary permit for a nonresident motor vehicle at twice the fee for a resident motor vehicle or \$12, whichever is greater.

LB336 passed on a vote of 49-0.

### Special committee on flood control, water resources created

A special legislative committee will study potential flood control projects and related economic development opportunities in three areas of the state under a bill passed by lawmakers

LB406, sponsored by Omaha Sen.

Mike McDonnell, creates a special committee, consisting of at least seven members of the Legislature, that will study the need to protect Sen. Mike McDonnell



public and private property, enhance economic development and promote private investment along the Platte River and its tributaries from Columbus to Plattsmouth.

The committee will conduct similar studies on the Lake McConaughy region and the region in Knox County that includes Lewis and Clark Lake and Niobrara State Park.

The Platte River study cannot include a study of any dam on the river's channel but may include infrastructure that maintains the integrity of its main channel.

The committee may hold hearings and request reports from federal, state, county, city and village agencies and natural resources districts on matters pertaining to the studies. It also may hold closed sessions to receive confidential information with a majority vote of committee members.

With the Executive Board's approval – and after a competitive bidding process — the committee may enter into contracts for consulting, engineering and development studies.

The committee will complete each study no later than Dec. 31, 2022, and will terminate on that date.

LB406 passed on a vote of 46-1.

### Legal framework for carbon dioxide sequestration created

Lawmakers passed a bill May 19 that creates a legal and regulatory framework for the geologic storage of carbon dioxide in Nebraska.

Under LB650, sponsored by Norfolk Sen. Michael Flood, the Nebraska

Oil and Gas Conservation Commission will regulate facilities that inject carbon dioxide through wells into underground geologic formations



Sen. Michael Flood

for permanent or short-term storage.

LB650 allows geologic storage only if a storage operator obtains a permit from both the commission and the Environmental Protection Agency's Underground Injection Control program. Before the commission issues a permit, it must hold a public hearing and consult with the state Department of Environment and Energy and the federal permitting authority.

The commission must find that

the proposed storage facility would not endanger surface waters or underground drinking water sources and that the storage operator will establish a testing and monitoring plan to assess the location and migration of injected carbon dioxide.

LB650 requires storage operators to pay the commission two fees on each ton of carbon dioxide injected for storage, one to defray administrative expenses and another to defray expenses incurred in the long-term monitoring and management of a closed storage facility.

The bill passed on a vote of 48-1.



### Legislature overrides veto; state will manage OPS retirement plan

Lawmakers voted May 26 to override the governor's veto of a bill that authorizes a state takeover of management duties for the Omaha school retirement plan.

LB147, sponsored by Seward Sen.

Mark Kolterman, transfers duties and responsibilities for management of the OPS plan from the Omaha School Employees Retire-



Sen. Mark Kolterman

ment System board of trustees to the Public Employees Retirement Board, which manages the rest of the state's plans through the Nebraska Public Employees Retirement Systems.

The transfer will take effect Sept. 1, 2024. The school district, board of education, board of trustees and the PERB

must finalize a transfer of management agreement by Dec. 31, 2021.

The bill specifies that the school district remains liable for the retirement system's funding obligations and OPS will cover all costs for the management transfer.

LB147 passed May 20 on a 38-3 vote.

In his veto message, Gov. Pete Ricketts called the measure a "slippery slope" toward the state eventually assuming responsibility for the troubled retirement plan's nearly \$1 billion unfunded liability. He characterized LB147 as the "pivotal step" in a series of moves by OPS designed to shift the plan's financial burden to the state.

"State management erodes the distinction between the state's existing school retirement plan and the OPS pension plan," Ricketts said. "Without clear distinctions, future legislators will likely assume responsibility over both plans, which has always been OPS's intention."

Kolterman offered a motion to override the veto, which he called a "disappointment." He noted that the bill contains an explicit provision that OPS remains "at all times and in all circumstances solely liable" for all the plan's funding obligations.

He said he "can't imagine a scenario" in which lawmakers ever will vote to take on the OPS plan's unfunded liability.

"I don't see that happening," Kolterman said. "There's nothing in this bill that results in a cost to the State of Nebraska."

Omaha Sen. Justin Wayne supported the motion, saying LB147 will allow teachers at OPS to return to focusing on students rather than managing their retirement plan.

"Does it make sense for educators to be pension fund managers?" he said.

North Platte Sen. Mike Groene opposed the motion. He said the bill is

an incremental step toward OPS asking the state to assume liability for the plan.

"Eventually, this will become the state's responsibility," Groene said.

The measure includes components of three additional bills related to the transfer, all sponsored by Kolterman.

Provisions of LB145 require completion of a compliance audit by Nov. 15, 2021, and the first annual audit by the state auditor by July 1, 2022.

Provisions of LB582 terminate the board of trustees' authority to administer the plan on July 1, 2021. On that date, new members of the board of trustees, appointed by the board of education, will begin serving their terms. This board of trustees will facilitate the transfer of management to the PERB on Sept. 1, 2024.

Finally, provisions of LB146 clarify membership eligibility in the Omaha school plan and define termination of employment to ensure that bona fide separation of service has occurred.

The definition of termination of employment codifies current district guidelines regarding re-employment during the 180-day period that allows voluntary unpaid bona fide service without limitation.

Temporary service is allowed after a 30-day waiting period following termination if it is to accomplish a specific purpose or task, not to exceed one year. Substitute service is allowed on an intermittent basis, defined as no more than eight service days during a calendar month.

Lawmakers voted 31-18 to override the governor's veto. Thirty votes were required.



### Redistricting guidelines adopted

Lawmakers approved criteria May 26 that will guide the Legislature in the 2021 redistricting process.

The U.S. and state constitutions require the Legislature to redraw various governmental district boundaries every 10 years in response to population changes reflected in the U.S. Census. Senators are expected to complete the redistricting process in a special session in early fall after census data becomes available.

The Legislature will create new district boundaries for Nebraska's three U.S. House of Representatives districts, 49 legislative districts and those of the Nebraska Supreme Court, Public Service Commission, State Board of Education and University of Nebraska Board of Regents.

LR134, introduced by the Redistricting Committee, sets criteria intended to ensure that redistricting plans are constitutionally acceptable.

Under the guidelines, lawmakers will use 2020 U.S. Census population data and census geography to establish district boundaries. Boundaries will follow county lines wherever practicable and define districts that are compact and contiguous.

District boundaries cannot be established with the intention of favoring a political party or any other group or person, and lawmakers cannot consider the political affiliations of registered voters, demographic information other than population figures or the results of previous elections.

The criteria also prohibit district boundaries that would result in the unlawful dilution of any minority population's voting strength. As far as possible, boundaries also must define districts that are easily identifiable and understandable to voters and preserve communities of interest.

Elkhorn Sen. Lou Ann Linehan, the committee's chairperson, said the latter guideline is a provision not included in resolutions that guided the Legislature in previous redistricting processes. She defined communities of interest as geographic areas such as a neighborhood, school district or region whose residents have a common interest.

As introduced, LR134 also would have required that district boundaries preserve the core of prior districts. Under a Redistricting Committee amendment, adopted 30-16, district boundaries instead will allow for the preservation of those areas.

Linehan said preserving the core of prior districts should not take precedence over other redistricting principles, especially those that ensure district boundaries are compact, contiguous and preserve communities of interest.

"I don't think any of us want to not preserve the cores ... but just common sense tells me it's more important to keep communities of interest together," she said.

Sen. Tom Briese of Albion supported the amendment. He said census data likely will show a population shift from west to east, meaning lawmakers will have to eliminate a legislative district in western Nebraska or expand the geographic area of certain western districts to ensure equality of representation in the Legislature.

"Either way, it may be extremely difficult to adhere to the preservation of the core standard and do our job right," Briese said.

Lincoln Sen. Adam Morfeld opposed the committee amendment

and introduced a floor amendment that would have required new district boundaries to preserve the core of prior districts, as in the original proposal.

Morfeld said the requirement was included in guidelines for the past two redistricting processes and is intended to prevent gerrymandering. Preserving the core of a prior district is a more objective standard than preserving a community of interest, he said.

"There will need to be some changes that are made — some changes that people don't like — because of population shifts," Morfeld said. "But I think it is important to maintain the core of our current districts."

Sen. Carol Blood of Bellevue also opposed the committee amendment. She said the requirement to preserve the core of prior districts is designed to respect the will of voters who chose an incumbent to represent a particular district in a recent election.

Blood said many states have added guidelines related to communities of interest — which she said are not well defined — to their redistricting guidelines in order to circumvent prohibitions against racial gerrymandering.

Also in opposition was Omaha Sen. Steve Lathrop. He said allowing the committee to preserve the core of prior districts rather than requiring them to do so would make the guideline "completely meaningless."

The change could allow lawmakers to "scramble" legislative districts in urban areas by lumping Omaha and Lincoln into single communities of interest, Lathrop said.

Morfeld's amendment failed on a vote of 16-28.

Under LR134, lawmakers will draw congressional districts with populations as close to equal as practicable, with an overall range of deviation at or approaching zero percent. No plan may be considered that results in an

overall range of deviation of more than 1 percent or a relative deviation of more than 0.5 percent from the ideal population.

For the remaining districts, the Legislature may not consider a plan that results in an overall range of deviation of more than 10 percent or a relative deviation of more than 5 percent from the ideal population.

Morfeld introduced another amendment that would have reduced the maximum overall range of deviation for those districts to 8 percent. He said the change would result in districts that more closely reflect the one-person, one-vote rule established by the U.S. Supreme Court in the 1960s.

Briese opposed the amendment, saying it would tie the Legislature's hands. He said the Supreme Court gives states "considerable deference" in establishing legislative district boundaries and has allowed maximum deviations in excess of 10 percent if those plans meet a legitimate state goal, such as keeping districts compact and contiguous.

The amendment failed on a vote of 15-28.

Senators voted 31-16 to adopt LR134.



## Ag land valuation reduced for purposes of school bonding

Lawmakers approved a bill May 19 intended to shift the cost of school bonds away from owners of farm and ranch land.

Agricultural and horticultural land is valued at 75 percent of its actual value for purposes of property taxation under current law.

Under LB2, introduced by Albion Sen. Tom Briese, such land would be

valued at 50 percent of its actual value for purposes of school district taxes levied to pay the principal and interest on bonds approved by a vote



Sen. Tom Briese

of the people on or after the act's operative date.

Omaha Sen. Machaela Cavanaugh opposed LB2. Under Briese's proposal, she said, residential and commercial property owners would pay more in taxes to retire school bond debt.

Cavanaugh filed a motion to bracket the bill until June 6, which failed on a vote of 2-39.

After four hours of debate on final reading, Briese filed a motion to invoke cloture, which ceases debate and forces a vote on the bill and any pending amendments. It succeeded on a vote of 40-1. Thirty-three votes were needed.

Senators then voted 36-6 to pass LB2.

### Tax incentive program updated

Lawmakers passed a bill May 20 that updates the provisions of a major tax incentive program passed in 2020.

LB18, sponsored by Seward Sen.

Mark Kolterman, makes three changes to the ImagiNE Act, a business tax incentive program that replaced the Nebraska Advantage Act.



Sen. Mark Kolterman

Currently, the act requires that all qualifying new full-time jobs be filled by individuals who reside in Nebraska. The bill removes this provision and instead requires that an individual in a

qualifying job be employed in the state and be subject to Nebraska income tax on compensation received.

LB18 also changes the definition of two qualifying business activities under the ImagiNE Act to clarify terms and conform with a recent U.S. Supreme Court decision.

Lawmakers voted 34-10 to pass the bill.

### Residential water tax eliminated

Residential water service in Nebraska will no longer be taxed under a bill passed May 20.

LB26, introduced by Sen. Justin

Wayne of Omaha, exempts the gross receipts received from the sale, lease or rental of and storage, use or consumption of residential water services.



Sen. Justin Wayne

Lawmakers passed the bill on a vote of 41-2.

### Sales tax turnback for sports complexes approved

The state will turn back new sales tax revenue to cities to help them build sports complexes under a bill approved by lawmakers May 20.

Under LB39, introduced by Omaha Sen. Brett Lindstrom, a political

subdivision alone or working with a nonprofit organization can apply for state assistance to build sports complexes — facilities that are used



Sen. Brett Lindstrom

primarily for competitive sports and contain a certain number of sports venues such as outdoor arenas or baseball, softball or multipurpose fields. The turnback applies to state sales tax collected by new businesses located within 600 yards of the exterior boundary of a sports complex for the period of time beginning on the date the project commenced and ending four years after its completion date.

Under the bill, 30 percent of state sales tax revenue related to an eligible sports arena facility will be transferred to the Civic and Community Center Financing Fund. The fund is used to provide grants to municipalities other than Omaha and Lincoln to build or improve community facilities such as libraries and recreation centers.

If the sales tax revenue relates to a sports complex, 83 percent will be transferred to the Support the Arts Cash Fund. The Nebraska Arts Council uses the fund to aid cities that designate an area of the community for arts and cultural development and to provide grants to creative districts.

The council will use the turnback revenue to fund a competitive grant program for first class cities that have creative districts within their boundaries and a 10-year plan to bring about economic and workforce development initiatives.

Grants must be at least \$1.5 million and can be used to fund capital assets, video projection mapping and certain video or audio presentations.

The remaining 17 percent of the revenue related to sports complexes will be transferred to the Convention Center Support Fund and distributed to areas in metropolitan class cities with a high concentration of poverty to showcase important historical aspects of those areas or to help reduce street and gang violence.

Senators voted 45-0 to pass LB39.

# State funding for rail access projects authorized

The state will provide matching funds for the development of industrial rail access business parks under a bill passed by lawmakers May 19.

Under LB40, introduced by North Platte Sen. Mike Groene, a nonprofit

economic development corporation may apply to the director of the state Department of Economic Development for up to \$30 million in



Sen. Mike Groene

matching funds to cover a project's development costs. The director could approve up to \$50 million in matching funds under the act.

Matching funds could be used for site acquisition and preparation, utility extensions and rail spur construction for the development of a new industrial rail access business park, including expenses incurred to help an initial tenant in the manufacturing, processing, distribution or transloading trades.

Qualifying projects must be located in a county with a population of fewer than 100,000 inhabitants.

Upon legislative appropriation of funds, the state will provide \$2 of matching funds for each dollar invested up to \$2.5 million. For a larger investment, the state will provide \$5 in matching funds for each dollar invested.

Senators voted 49-0 to pass LB40.

# Social Security income tax partial phaseout approved

Lawmakers passed a bill May 20 to reduce taxation of Social Security income in Nebraska over several years with the intention of eliminating it entirely.

LB64, sponsored by Omaha Sen. Brett Lindstrom, sets the exemption on such income, to the extent that it is included in federal adjusted gross income, at 5 percent in tax year 2021. The exemption will increase to 20 percent in 2022 and then rise 10 percent per year until reaching 50 percent in tax year 2025.

The bill states legislative intent to continue incremental reduction of the tax — reaching 100 percent exemption in tax year 2030 — but passage of new legislation will be required to complete the process.

LB64 is estimated to reduce general fund revenue by \$15 million in fiscal year 2021-22 and \$73.8 million in FY2025-26.

Lawmakers voted 41-0 to pass LB64.

# Tax incentives extended to nuclear energy firms

Companies that build nuclear power plants in Nebraska will be eligible for tax incentives under a bill passed by lawmakers May 20.

Under LB84, sponsored by Sen.

Bruce Bostelman of Brainard, a renewable energy firm that uses nuclear energy to produce electricity will qualify for incentives under



Sen. bruce bosteimar

the ImagiNE Nebraska Act.

The bill passed on a vote of 47-0.

# Microenterprise tax credit changes approved

Senators passed a bill May 20 intended to modernize the state's small business tax credit.

Under the Nebraska Advantage Microenterprise Tax Credit Act, a business

with five or fewer full-time employees can apply to receive a refundable tax credit designed to help decrease the cost of startup and expansion.

The program, which offers a tax credit to approved microbusiness taxpayers for new investment or employment equal to 20 percent of the investment amount - up to a maximum of \$10,000 - had been set to expire in 2022. Total credits approved under the program are limited to \$2 million annually.

LB366, introduced by Albion

Sen. Tom Briese, extends the program expiration date through 2032. It also raises the maximum lifetime tax credits claimed by any individual



Sen. Tom Briese

from \$10,000 to \$20,000.

Finally, the bill strengthens reporting requirements and allows certain family members of a person who has received the maximum credit also to participate in the program – as long as ownership is not shared and the businesses are completely separate.

The changes made by LB366 apply only to applications made after the bill's operative date.

The bill passed on a vote of 44-1.

### Military retirement pay excluded from state income tax

Nebraskans may exclude all of their military retirement benefit pay from state income tax under a bill approved by lawmakers May 19.

Under LB387, introduced by Gordon Sen. Tom Brewer at the request of Gov. Pete Ricketts, individuals may exclude



Sen. Tom Brewer

100 percent of their military retirement benefit income to the extent it is included in federal adjusted gross income, beginning in tax year 2022.

The bill also includes provisions of LB6, introduced by Sen. Carol Blood

of Bellevue, which allow a military retiree to provide a form 1099 from either the U.S. Department of Defense or the Office of Personnel



Sen. Carol Blood

Management to claim the exemption. Senators voted 47-0 to pass LB387.

### Phased-in corporate tax cut, other tax measures approved

Lawmakers approved a bill May 21 that cuts Nebraska's top corporate income tax rate by approximately one-half of 1 percent over the next two years.

LB432, introduced by the Revenue Committee as a placeholder bill, contains amended provisions of LB680, introduced by Elk Sen. Lou Ann Linehan



horn Sen. Lou Ann Linehan, and provisions of several other bills heard by the committee this session.

Linehan's proposal reduces the state's top corporate income tax rate, which applies to income in excess of \$100,000, from 7.81 percent to 7.5 percent for tax years beginning on or after Jan. 1, 2022, and before Jan. 1, 2023. The rate will fall to 7.25 percent for tax years beginning on or after Jan. 1, 2023.

The bill states the intent of the Legislature to further reduce the rate to 7 percent for tax years beginning on or after Jan. 1, 2024, and before Jan. 1, 2025, and to 6.84 percent for tax years beginning on or after that date.

The corporate income tax rate on the first \$100,000 of income remains at 5.58 percent.

LB432 also includes provisions of LB597, introduced by Sen. Joni

Albrecht of Thurston. They create a \$2,000 refundable state income tax credit for the parent of a stillborn child if a fetal death certificate is



Sen. Joni Albrecht

filed and if the child had advanced to at least the 20th week of gestation and would have been a dependent of the individual claiming the credit.

Also included in the bill are provisions of LB299, introduced by Omaha Sen. Mike McDonnell, that allow

any rural or suburban fire protection district, airport authority, city, village or nonprofit corporation to provide and maintain enhanced cancer Sen. Mike McDonnell



benefits for paid and volunteer firefighters, the combined total of which cannot exceed \$50,000 in the firefighter's lifetime.

Under the provisions of LB564, also introduced by McDonnell, Nebraska Education Savings Plan trust accounts may be used to pay for the cost of certain apprenticeship programs.

Finally, the provisions of LB254,

introduced by Sen. Matt Williams of Gothenburg, extend the sunset date for the Beginning Farmer Tax Credit Act from Dec. 31, 2022, to



Sen. Matt Williams

Dec. 31, 2025.

Omaha Sen. Machaela Cavanaugh filed a motion to return LB432 to select file in order to adopt an amendment that would strike its enacting clause. The motion failed on a vote of 2-40.

Cavanaugh said a corporate tax cut should not take precedence over other priorities, such as providing services for vulnerable Nebraskans.

After two hours of debate on final reading, Linehan filed a motion to invoke cloture, which ceases debate and forces a vote on the bill and any pending amendments. It succeeded on a vote of 43-3. Thirty-three votes were needed.

LB432 passed on a vote of 42-1.

### Urban redevelopment tax incentives created

Businesses that invest in urban areas with high poverty and unemployment rates may qualify for tax incentives under a bill approved by the Legislature May 20.

Under LB544, introduced by Omaha Sen. Justin Wayne, taxpay-

ers may apply to the director of the state Department of Economic Development for tax credits based on their level of investment and the



Sen. Justin Wayne

number of new employees they hire.

To qualify, a business must be located in a city of the primary or

located in a city of the primary or metropolitan class and in an economic redevelopment area in which the average rate of unemployment is at least 150 percent of the state average and the average poverty rate is 20 percent or more for the area's federal census tract.

Taxpayers may use the credits to

offset income, sales and use or real property taxes or to reduce income tax withholding. No taxpayer may earn a credit that exceeds \$50,000.

The director may not approve further applications once the expected incentives from approved projects total \$8 million, and no new applications may be filed after Dec. 31, 2031.

Beginning Sept. 1, 2024, the department must present an annual report on the program to the Legislature.

Senators voted 49-0 to pass LB544.

### Ethanol inputs exempted from state sales and use taxes

Lawmakers passed a bill May 20 containing several sales and use tax exemptions, including one for inputs used to manufacture ethanol.

Under LB595, introduced by Thurston Sen. Joni Albrecht, state sales and use taxes may not be imposed on the gross receipts from the sale, lease or rental of — and storage, use or other consumption in Nebraska of — all catalysts, chemicals and materials used in the process of manufacturing ethanol and the production of coproducts.

The bill also includes provisions of

LB672, introduced by Sen. Dave Murman of Glenvil, that define agricultural machinery and equipment for the purposes of an existing sales and use tax exemption.



Sen. Dave Murman

Under LB595, agricultural machinery and equipment are defined as tangible personal property used directly in cultivating or harvesting a crop, raising or caring for animal life, protecting the health and welfare of animal life or collecting or processing an agricultural product on a farm or ranch.

The definition includes header trailers, head haulers, header transports and seed tender trailers.

Also included in LB595 are provisions of LB182, introduced by Elkhorn Sen. Lou Ann Linehan. They exempt from state sales and use taxes the gross income received from the lease or use of towers or other structures primarily used in conjunction with the furnishing of internet access service, agricultural GPS locating services or certain over-the-air radio and television broadcasting.

Finally, under provisions originally introduced by Linehan in LB350, the proceeds of sales and use taxes imposed on the sale or lease of motorboats, personal watercraft, all-terrain vehicles and utility-type vehicles will be credited to the state Game and Parks Commission Capital Maintenance Fund until 2027 rather than 2022.

Sen. Machaela Cavanaugh of Omaha questioned why the Legislature would approve a measure that will reduce tax revenue when senators blocked her bill to supplement existing services for children with developmental disabilities in Nebraska, partly due to its cost.

Cavanaugh filed a motion to recommit LB595 to the Revenue Committee, which she later withdrew.

After two hours of debate on final reading, Albrecht filed a motion to invoke cloture, which ceases debate and forces a vote on the bill and any pending amendments. It succeeded on a vote of 42-0. Thirty-three votes were needed.

Senators voted 45-0 to pass LB595.

## Joint hearing for property tax request increases approved

Certain political subdivisions must hold a joint public hearing before increasing their property tax requests under a bill passed by lawmakers May 19.

Under LB644, introduced by Sen. Ben Hansen of Blair, counties, cit-

ies, school districts and community colleges must participate in a joint public hearing and pass a resolution or ordinance before increasing



Sen. Ben Hansen

their property tax request by more than an allowable growth percentage.

The bill requires counties to notify affected taxpayers of the hearing by postcard, the cost of which will be shared by the political subdivisions seeking to increase their property tax request.

The hearing, which must be held on or after Sept. 17 and before Sept. 29, must be open to public testimony. Its agenda may include only the proposed property tax request increase.

LB644 also includes provisions of LB189, introduced by Hastings Sen. Steve Halloran, which require a po-

litical subdivision's governing body to make provisions in its next budget to pay a refund of real or personal property taxes. The measure also



Sen. Steve Halloran

repeals a provision allowing political subdivisions up to five years to pay the refund.

Under the bill, interest on refunds accrues at a rate of 9 percent on the unpaid balance beginning 30 days after the date when the county assessor certifies the amount of the refund based upon the order.

LB644 passed on a vote of 42-0.

### TRANSPORTATION & TELECOMMUNICATIONS

### Water safety license plate passed

A new specialty license plate that seeks to educate the public about water safety was approved by the Legislature May 19.

LB166, sponsored by Lincoln Sen.

Suzanne Geist, authorizes Josh the Otter-Be Safe Around Water license plates, available as of Ian. 1, 2022.



The fee for the Sen. Suzanne Geist alphanumeric plate is \$5, credited to the Josh the Otter-Be Safe Around Water Cash Fund. Personalized plates will cost \$40, with \$10 credited to the state Department of Motor Vehicles Cash Fund and \$30 credited to the Josh the Otter-Be Safe Around Water Cash Fund.

The bill requires the Game and Parks Commission to create a program to award grants from the cash fund to nonprofit organizations dedicated to educating children about water safety.

Senators passed LB166 on a 41-0 vote.

### History license plates approved

Senators passed a bill May 19 that creates a new specialty license plate

celebrating Nebraska history.

Under LB317, sponsored by Omaha Sen. John Cavanaugh, Nebraska History licenses plates will



Sen. John Cavanaugh

be available in alphanumeric or personalized versions beginning Jan. 1, 2023. The plate will be designed in consultation with History Nebraska - formally known as the Nebraska Historical Society – and reflect the importance of preserving the state's shared history.

The fee for the alphanumeric plate is \$5, credited to the Support Nebraska History Cash Fund. Personalized plates will cost \$40, with \$10 credited to the state Department of Motor Vehicles Cash Fund and \$30 credited to the Support Nebraska History Cash Fund.

The bill passed on a 39-0 vote.

### **Broadband grant funding** expanded

Lawmakers passed a bill May 20 meant to encourage increased broadband availability throughout the state.

Under LB388, introduced by Henderson Sen. Curt Friesen at the

request of Gov. Pete Ricketts, the Public Service Commission will administer grants to providers, cooperatives and political subdivi-



Sen. Curt Friesen

sions to fund qualifying broadband development projects.

The bill appropriates \$20 million annually beginning in fiscal year 2021-22 to the commission to fund the grants. Priority will be given to grants to unserved areas that previously have not been targeted for such a project, unserved areas that are receiving federal support for construction that will not be completed within 24 months and underserved areas that have developed a broadband and digital inclusion plan.

Eligibility is restricted to projects

providing broadband internet service scalable to 100 Mbps for downloading and 100 Mbps for uploading, or greater. Each project must have a completion deadline of 18 months from the date the grant is awarded and be eligible for one extension of six months, to be approved by the PSC.

Grant applications must be submitted on or before Oct. 1, 2021, for FY2021-22, and on or before July 1 for subsequent fiscal years. Political subdivisions must form a public-private partnership with a service provider to qualify for funding under LB388 and commit matching funds equal to 50 percent of the total development costs.

The bill requires all grant recipients to conduct randomized speed tests and submit the results to the PSC. If speeds fail to meet the bill's requirements, the provider will be required to repay the grant.

The PSC will publish all grant applicants on its website within three days of the application deadline. Any service provider may, within 30 days, challenge an applicant's eligibility for funding if the applicant already provides broadband or has begun construction in or near the proposed area.

The commission will judge each applicant based on their financial, technical and legal capability to deploy broadband that meets minimum speeds at competitive prices and can be scalable to higher speeds in the future.

The commission will approve grants for all qualified applicants while funding remains available, with no award to exceed \$5 million. An applicant must provide broadband service for the entirety of the funding agreement. A grant recipient that fails to provide service at required speeds will have reasonable time to address the speed deficiency before funding is withdrawn.

LB388 passed on a 49-0 vote.

# URBAN AFFAIRS

# Urban affairs omnibus bill passed

An omnibus municipal governance measure passed May 20.

LB131, introduced by Sen. Megan

Hunt of Omaha, adds "or as otherwise provided by law" to the list of reasons a municipality can waive reading an ordinance three times before its adoption.



Sen. Megan Hunt

The measure was amended to add provisions of seven other bills:

- LB99, introduced by Fremont
- Sen. Lynne
  Walz, which
  exempts
  areas designated as
  extremely
  blighted
  from the



Sen. Lynne Walz

maximum percentage of a city or village that may be designated blighted under the Community Development Law;

- LB161, introduced by the Urban Affairs Committee, which makes several technical changes to the Building Construction Act;
- LB162, also introduced by the committee, which establishes uniform procedures to detach territory from a municipality's corporate limits;
- LB218, introduced by Omaha Sen. Justin Wayne, which adopts the 2018 Uniform Plumbing Code as the state's default code;
- LB549, also introduced by Wayne, which allows municipal-

ities that operate a natural gas plant or natural gas system to apply to the state for emergency



Sen. Justin Wayne

grant funding to cover up to 80 percent of extraordinary costs associated with an extreme weather event and provide a one-time, \$10 million general fund transfer to fund the grants;

- LB556, introduced by Lincoln Sen. Matt Hansen, which clari
  - fies that municipalities may add requirements to a redevelopment contract to comply with



Sen. Matt Hansen

their comprehensive redevelopment plan, affordable housing action plan or other goals established by the municipality; and

 LB647, introduced by Norfolk Sen. Michael Flood, which

allows first class cities to increase their bonding threshold from \$2 million to \$5 million



Sen. Michael Flood

when constructing or buying a public building without a vote of the people.

Senators passed LB131 on a vote of 40-7.

## Inland port authorities authorized

A bill intended to spur commercial economic development passed final

reading May 19.

LB156, introduced by Omaha

Sen. Justin Wayne, allows up to five inland port authorities to be established in Nebraska. An inland port authority may be established in a



Sen. Justin Wavne

metropolitan, primary or first class city or a county with a population greater than 20,000.

A qualifying city and one or more counties that contain a qualifying city — or in which the extraterritorial

zoning jurisdiction of such city is located — may form a joint inland port authority.

To be eligible, an inland port site must be at least 300 acres in area and meet two of the following criteria of being within:

- one mile of a navigable river or waterway;
- one mile of a major rail line;
- two miles of a major airport; or
- two miles of any federal interstate or four-lane divided highway.

An inland port authority is authorized to engage in marketing activities,

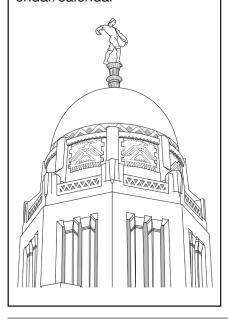
issue and sell revenue bonds and acquire rights-of-way and property. All authorities established under the bill will be administered by an appointed governing board.

The bill prohibits inland port authorities from levying sales taxes and states legislative intent to transfer \$5 million in general funds for the next two fiscal years to the Site and Building Development Fund to be earmarked for large, shovel-ready inland port authority projects.

Senators passed LB156 on a 47-0 vote. ■

# The 107th Legislature, second session, is scheduled to convene Wednesday, Jan. 5, 2022.

For scheduling information regarding interim hearings and the upcoming special session for redistricting, access the legislative calendar at NebraskaLegislature.gov/calendar/calendar

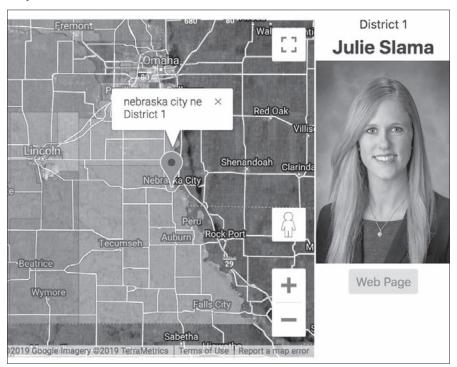


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