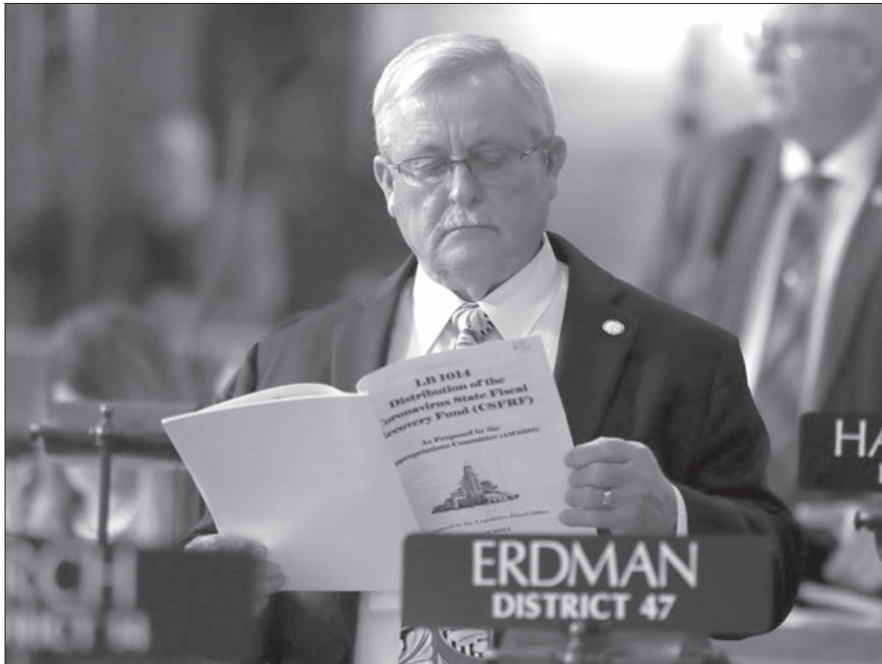


Pandemic funding bill amended, advanced



Sen. Steve Erdman reviews the Appropriations Committee's proposal for allocation of federal pandemic relief funds during floor debate March 23.

Lawmakers gave first-round approval March 23 to a bill that would appropriate the \$1.04 billion allocated to Nebraska from federal pandemic relief funds after approving several amendments that altered individual allocations within the proposal.

LB1014, introduced by Speaker Mike Hilgers of Lincoln at the request of Gov. Pete Ricketts, contains recommended appropriations for fiscal year 2021-22 and FY2022-23 for the American Rescue Plan Act funds that Nebraska has been allocated to mitigate the impact of the coronavirus pandemic.



Sen. Mike Hilgers

The state has received \$520 million and an additional \$520 million is anticipated by May 2022. Federal law specifies that expenditures must either support COVID-19 mitigation efforts, respond to negative economic impacts, replace lost revenue, provide premium pay for essential workers or fund water, sewer and broadband infrastructure projects.

The federal funds must be allocated within three years and spent within five years.

Hilgers designated LB1014 a "speaker major proposal," which, under legislative rules, gives him the ability to determine the order in which amendments and other motions to the bill are considered.

Gering Sen. John Stinner, chairper-

(continued page 2)

Social Security income tax phase-out stalls on second round

A proposal to speed up the eventual elimination of state taxation of Social Security income stalled on select file March 25 after a failed cloture motion.

Lawmakers passed a measure in 2021, sponsored by Omaha Sen. Brett Lindstrom, which set the exemption on such income, to the extent that it is included in federal adjusted gross income, at 20 percent in tax year 2022. The exemption then is scheduled to increase 10 percent per year until reaching 50 percent in tax year 2025.



Sen. Brett Lindstrom

Lindstrom introduced LB825 this session to accelerate that schedule, resulting in a 100 percent exemption in tax year 2025.

Sen. Tom Briese of Albion introduced an amendment on select file that would include the amended provisions of LB939, introduced by Elkhorn Sen. Lou Ann Linehan.

That proposal would cut Nebraska's top individual income tax rate in several steps from the current 6.84 percent to 5.84 percent by tax year 2027. It also would cut the state's top corporate income tax rate from the current 7.5 percent to 5.84 percent by the same year.

The amendment also contains the provisions of LB723, introduced by Briese. That proposal is intended to

(continued page 3)

Pandemic funding bill amended, advanced

(continued from front page)

son of the Appropriations Committee, said LB1014 contains important and time-sensitive spending measures to help the state recover from the coronavirus pandemic. The committee took care to make sure that the included proposals follow ARPA guidelines regarding how the funds can be spent, he said, so that none of the money will be “clawed back” by the federal government.

The committee considered 130 separate issues and bills related to the use of the pandemic recovery funds, including 30 items in the governor’s original proposal, 84 bills referenced to the Appropriations Committee and 16 bills referenced to other committees.

“Almost 80 percent of what the governor had requested and recommended is actually in this proposal,” Stinner said.

Lincoln Sen. Anna Wishart supported the measure, noting that the committee heard over \$4 billion worth of requests for the \$1.04 billion of funds available. She said those requests helped the committee focus their efforts by identifying statewide needs in areas hard hit by the pandemic.

The Appropriations Committee amendment, adopted 44-1, replaced

the bill. The amendment contains provisions of twenty additional bills introduced this session, including:

- LB1025, sponsored by Omaha Sen. Justin Wayne, which would appropriate \$150 million to the state Department of Economic Development for the North Omaha Recovery Grant Program;
- LB1089, sponsored by Stinner, which would appropriate \$55 million to the state Department of Health and Human Services for licensed and Medicaid-certified nursing facilities;
- LB1066, sponsored by Stinner, which would appropriate \$28 million to DHHS and the University of Nebraska for behavioral health care services;
- LB1172, sponsored by Omaha Sen. Robert Hilkemann, which would appropriate \$55 million for rate increases for certain providers of developmental disabilities services; and
- LB1201, sponsored by Bennington Sen. Wendy DeBoer, which would appropriate \$20 million to DHHS for grants to

nonprofit organizations providing food assistance.

Henderson Sen. Curt Friesen suggested that lawmakers consider appropriating only the ARPA funds that already have been received and leave the second half for future senators to allocate. The state’s fiscal outlook could be far different in a year, he said, suggesting that the current process was encouraging senators to make hasty decisions in fear of missing out.

“I am reluctant to vote for any of this,” Friesen said. “I am saying that I think we need to hold up, slow down [and] let’s pick the best of the best projects that actually do something in the state to make this a better place.”

Included in the committee amendment was a provision that grew out of Wayne’s LB1025. As introduced, the bill would have appropriated \$450 million in ARPA funds to DED to provide grants to public and private entities within low-income census tracts in a



Sen. Justin Wayne

(continued page 4)

UNICAMERAL UPDATE

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Social Security income tax phase-out stalls on second round

(continued from front page)

ensure that a refundable state income tax credit does not fall below its current amount of \$548 million. The credit, created in 2021 under LB1107, is based on property taxes paid to schools.

Under Briese's proposal, the credit amount would increase to \$560.7 million for tax year 2023 and then increase by an allowable growth percentage beginning in tax year 2024. The percentage is equal to the growth in statewide real property value and cannot exceed 5 percent in any year.

Briese's amendment also would create a similar refundable tax credit based on the amount of property taxes paid to a community college.

The total amount of credits this year would be \$50 million. It then would increase annually, reaching \$195 million during taxable years that begin during calendar year 2026. After that, the total would increase by the allowable growth percentage.

Sen. Wendy DeBoer of Bennington moved to divide Briese's amendment into four parts. The motion was successful.

Briese said the proposal is a compromise among several lawmakers and that removing any piece would "tank the whole package." Nebraska has a higher personal income tax rate than any of its neighbors, he said, making it more difficult for the state to attract new residents and businesses.

"Our high marginal rates are not conducive to growing our state," Briese said.

Lindstrom supported Briese's proposal, saying Nebraska's tax rates are far from competitive when compared to neighboring states. He said the proposal would return tax dollars to Nebraska residents at a time when state tax revenues far exceed forecasts.



Sens. Tom Briese and Lou Ann Linehan said the tax cuts included in a proposed amendment to LB825 would make Nebraska more competitive with neighboring states.

Linehan also supported the proposal, saying opponents blocked consideration of an earlier version during debate on LB939. Speaker Mike Hilgers of Lincoln pulled the bill from the agenda at Linehan's request after approximately one hour of second-round debate March 22. It will not be considered again this session, he said.

Linehan said Nebraska's top personal income tax rate is the highest in the Midwest.

"Even when we get to 5.84 [percent] ... we'll still be too high, in my opinion," Linehan said. "But it is a good start."

Also in support was Henderson Sen. Curt Friesen. Although he is not a "big fan" of the proposed corporate tax cut, he said, LB825 and the Briese proposal are a "huge step forward for all taxpayers."

"This is what compromise looks like," Friesen said.

Sen. John Stinner of Gering, chairperson of the Appropriations Committee, said LB825 and the Briese proposal would reduce state revenue

by approximately \$964 million per year once fully implemented.

He said an earlier version of the proposal would have removed the 5 percent cap on the LB1107 credit's growth rate, but he insisted that it remain. The limit, along with the state's \$1.3 billion cash reserve, would ensure that the tax package would not "crowd out" other state spending or require cuts in a future economic downturn, Stinner said.

Sen. Matt Hansen of Lincoln opposed the Briese proposal. Although he supports LB825, he said, the amendment would tie it to an "egregious" corporate income tax cut that has little support among senators.

After four hours of second-round debate, Lindstrom 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 32-0. Thirty-three votes were needed.

A failed cloture motion results in debate on a proposal ceasing for the day. LB825 is unlikely to be placed on the agenda again this session. ■

city of the metropolitan class. Omaha is the state’s only metropolitan class city.

Funds could be used for entrepreneurship, housing, employment, job creation and small business assistance.

As included in the Appropriations Committee amendment, the proposal instead would allocate a total of \$150 million, with \$50 million to qualified census tracts located north of Dodge St. and east of 72nd St. in Omaha, \$50 million for such tracts located south of Dodge St. and east of 72nd St. and \$50 million for tracts outside of Omaha.

Wayne said 80 percent of the state’s qualified census tracts are in North and South Omaha and dividing funding equally between those areas and the rest of the state would not be equitable. Detailed projects are ready to go, he said, and no senator from outside Omaha brought a bill to use funds for qualified census tracts in other parts of the state.

“We came with a plan,” Wayne said. “Nobody else who has a qualified census tract came with a plan.”

He brought an amendment, adopted 29-1, that removed census tracts outside of Omaha from grant eligibility under LB1014.

Additional changes

Over the course of eight hours of debate, lawmakers considered several proposals to alter other provisions in the bill. In scheduling consideration of amendments from individual senators, Hilgers indicated that any proposal for new funding must specify what would be removed from the committee proposal to offset it.

Sen. John Arch of La Vista offered an amendment, adopted 39-0, that would adjust a va-



Sen. John Arch

riety of allocations to add \$20 million over the next two fiscal years to increase mental health care capacity and education through capital construction project grants administered by DED. He said the change would restore full funding to the projects as outlined in the governor’s proposal.

“All session we’ve been talking about the mental health needs of Nebraskans – how addressing critical behavioral health services early can keep Nebraskans healthy, employed and out of the corrections system,” Arch said.

ARPA funds would be coupled with private dollars and go toward pediatric mental health urgent care centers in Omaha and Kearney to serve youth experiencing mental health crises, which Arch said have been exacerbated by the pandemic, and other projects directed at behavioral health infrastructure across the state.

Stinner supported the amendment, saying the projects are important in order to create mental health care capacity and that the corresponding reductions to premium-pay and other programs in the committee proposal would not harm the overall goal of helping the state’s health care system rebound from the pandemic.

Also approved, on a 33-0 vote, was an amendment offered by Creighton Sen. Tim Gragert. The adjustment would appropriate \$7 million in ARPA funds to the Drinking Water Facilities Loan Fund under the state Department of Environment and Energy to provide grant assistance to the Cedar Knox Rural Water Project.



Sen. Tim Gragert

The appropriation would be offset by taking \$6 million from the Rural Workforce Housing Investment Act and \$1 million from job training and

placement grants to nonprofit organizations for employment and employability services for refugees.

Gragert said the grants would fund a portion of a \$36 million project to address drinking water and infrastructure needs for approximately 7,000 people in northern Cedar and Knox counties.

Glenvil Sen. Dave Murman offered an amendment, adopted 37-1, that would remove \$10 million of the \$25 million allocated to state agencies to administer the funds appropriated in LB1014. The amendment instead would allocate \$5 million to nursing scholarships to Nebraska residents who agree to practice in the state for two years after completing their program and \$5 million to an existing student loan repayment program for rural health professionals.



Sen. Dave Murman

Murman said Nebraska faces a health care provider shortage, with more than 7,000 open nursing positions in the state currently. Nine of Nebraska’s 93 counties have no registered nurses, he said, and the amendment would bring funding for the two programs back up to the level recommended by the governor in his original proposal.

“The COVID-19 pandemic has taken a heavy toll on health care providers who have been on the front line of the pandemic,” Murman said. “We as a state need to invest in initiatives that would immediately strengthen Nebraska’s health care workforce.”

Two technical amendments also were adopted that would not change dollar amounts appropriated within LB1014.

Other proposals

Lawmakers also considered several additional changes, including

an amendment from Bellevue Sen. Carol Blood that would have added provisions of her LB696 to provide \$20 million to the state Department of Education for grants to all public school districts for employee retention.



Sen. Carol Blood

Blood said school employees have been on the front line during the pandemic and that teachers are “stressed, exhausted, exasperated ... underappreciated and underpaid.” The amendment would have removed all \$20 million allocated in LB1014 for wastewater and drainage system updates at the state fairgrounds in Grand Island to offset the funding.

Bayard Sen. Steve Erdman opposed the Blood amendment, saying the Appropriations Committee already trimmed the \$25 million request for the fairground updates down to \$20 million. In addition, he said, the state Department of Education received significant pandemic relief funds outside of state ARPA funding and could afford to give teachers bonuses out of that money.

“If the department really cared about their employees, they would take care of them without our help,” Erdman said. “They have the wherewithal to do that ... they have plenty of money, more than they need.”

The amendment failed on a vote of 11-18.

Also rejected was a proposal from Wayne that would have, among other provisions, allocated \$6 million to the Lancaster County Event Center for “critical upgrades.”

The amendment also would have incorporated two bills originally introduced by Lincoln Sen. Adam Morfeld. Portions of his LB867 would provide \$500,000 for the HIV Surveillance and Prevention Programs, and provisions

of LB991 would provide \$300,000 to the state Department of Transportation to conduct a feasibility study for a high-speed commuter rail service between Omaha and Lincoln.



Sen. Adam Morfeld

The amendment failed on a 12-14 vote.

After eight hours of debate, Stinner offered a motion to invoke cloture, which ceases debate and forces a vote on the bill and any pending amendments. The motion was adopted 46-1 and senators voted 41-1 to advance LB1014 to select file. ■



Unicameral Youth Legislature registration open

High school students with an interest in law, government, leadership or public speaking are encouraged to register for the 2022 Unicameral Youth Legislature, which will convene June 12-15.

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

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

ing the current legislative session.

Registrants are encouraged to apply for a Speaker Greg Adams Civic Scholarship award, which covers the full cost of admission. Applicants must submit a short essay. Other \$100 scholarships also are available.

Note that all scholarships are awarded prior to registration.

The University of Nebraska-Lincoln’s Extension 4-H Youth Development Office coordinates housing and recreational activities for the camp as part of their Big Red Summer Camps program.

Registration forms can be obtained through the Legislature’s Unicameral Youth Legislature page: www.NebraskaLegislature.gov/uyl.

APPROPRIATIONS

Cash reserve budget bill advanced, package clears second round

Lawmakers advanced one component of the Appropriations Committee’s mid-biennium budget adjustment package from general file this week before giving second-round approval to the full package March 24.

LB1013, introduced by Speaker Mike Hilgers of Lincoln at the request of Gov. Pete Ricketts, would change provisions relating to the state’s Cash Reserve Fund, also known as the rainy-day fund. Senators began general file debate on the bill March 17 and resumed March 22.



Sen. Mike Hilgers

Gering Sen. John Stinner, chairperson of the Appropriations Committee, said the proposal would result in a \$1.3 billion balance in the cash reserve, which he said serves a “dual purpose” for Nebraska.

“It serves, certainly, as an economic stabilizer for the state’s budget, but it also serves as a one-time source of funding for different projects,” he said.

An Appropriations Committee amendment would use \$513 million from the cash reserve for a variety of transfers outlined in bills introduced this session, including:

- \$80 million to the Jobs and Economic Development Initiative Fund, from LB1023, introduced by Hilgers;
- \$53.5 million to the Perkins County Canal Project Fund, from LB1015, introduced by Hilgers;

- \$50 million to the Surface Water Irrigation Infrastructure Fund, from LB1074, introduced by Brainard Sen. Bruce Bostelman;



Sen. Bruce Bostelman

- \$50 million to the Nebraska Rural Projects Fund, from LB788, introduced by Gordon Sen. Tom Brewer;



Sen. Tom Brewer

- \$30 million to the Military Base Development and Support Fund, from LB1233, introduced by Bellevue Sen. Rita Sanders;



Sen. Rita Sanders

- \$30 million to the Rural Workforce Housing Investment Fund, from LB1071, introduced by Gothenburg Sen. Matt Williams;



Sen. Matt Williams

- \$20 million to the Middle Income Workforce Housing Investment Fund, from LB1252, introduced by Omaha Sen. Tony Vargas; and



Sen. Tony Vargas

- \$15.6 million to the state Department of Health and Human Services for construction, renovation and equipment replacement at the Youth Rehabilitation and Treatment Center in Kearney, from LB792, introduced by Kearney Sen. John Lowe.

Among other provisions, the committee amendment also would set aside \$175 million to be released to the Nebraska Capital Construction Fund for a potential new state penitentiary but would not appropriate those funds until certain conditions are met. Omaha Sen. Steve Lathrop offered a series of amendments to the bill to facilitate a discussion on criminal justice reform.



Sen. John Lowe

Lathrop said building a new prison, at an estimated total cost of \$270 million for a 1,500-bed facility – an increase of 700 beds – would not solve the state’s prison overcrowding problem. Nebraska’s prison system is at 152 percent of design capacity, he said, a situation that won’t be resolved by adding capacity alone.

A fiscally responsible policy also must include reducing inmate population growth through lessening some drug possession sentences and increasing opportunities for parole and programming, he said.

“Other states that have done this have solved the growth in their prison population,” Lathrop said. “They have saved money and they have not sacrificed public safety.”

Following three hours of discussion, Stinner offered a motion to invoke cloture, which ceases debate and forces a vote on the bill and any pending amendments and motions. The motion was adopted 39-4 and lawmakers then voted 40-3 to adopt the committee amendment.

LB1013 advanced to select file on a vote of 39-4 on March 22.

Second-round debate on the three main components of the budget package took place March 24.

Lathrop offered an amendment, adopted 42-0, to LB1011, the mainline budget bill. In addition to a series of technical changes, the amendment would correct the omission of a \$5 million transfer to the Governor's Emergency Cash Fund.

A second technical amendment offered by Lathrop was adopted 39-2. Senators then adopted a cloture motion 42-1 and advanced LB1011 to final reading by voice vote.

Several amendments were offered during debate on LB1012, which would authorize and provide for certain fund transfers, create funds and change and eliminate provisions regarding a fund.

Among those was an amendment offered by Henderson Sen. Curt Friesen to strike creation of the Military Base Development and Support Fund, which would be used to fund a series of projects at Offutt Air Force Base.

Friesen said it was a "step too far" to continue spending funds on Offutt when the state has other priorities.

Several senators defended the funding, including Gordon Sen. Tom Brewer. He said U.S. Strategic Command, headquartered at Offutt, is a "prize" that other states envy and should not be sacrificed to "budget maneuvers."

"This is such a small piece of the budget that we're talking about here [and] the idea that that's the quick go-to place to steal money from the purse, I think is wrong-headed," Brewer said.

Friesen withdrew the amendment. He then offered another, which failed on a 6-13 vote, that would have taken a \$14 million transfer from the Governor's Emergency Cash Fund to the Cash Reserve Fund and instead directed it

to the Property Tax Credit Cash Fund.

Brainard Sen. Bruce Bostelman offered an amendment, adopted 42-0, that would ensure that a \$955,000 transfer from the interest on the Nebraska Telecommunications Universal Service Fund to the 211 Cash Fund is a one-time transfer rather than an annual one.

He said the USF needs to be protected in the future for its intended purpose of making universal access to telecommunications services available to everyone in the state.

Omaha Sen. Mike McDonnell, whose LB911 initiated the transfer, supported the amendment. He said he would find a different source of funding going forward for the 211 Information and Referral Network, which is a free hotline that connects Nebraskans with non-emergency health and human services.

Stinner offered a cloture motion after four hours of debate, which was adopted 43-2, and lawmakers advanced LB1012 to final reading on a voice vote. Senators then also advanced LB1013 to final reading by voice vote following the 41-3 adoption of a cloture motion.



Sen. Mike McDonnell



Sen. Megan Hunt

Under current state law, an individual with three felony convictions for use or possession of a controlled substance or one felony conviction for distribution or intent to sell or distribute a controlled substance is prohibited from receiving SNAP benefits.

LB121, introduced by Omaha Sen. Megan Hunt, would overturn that prohibition and allow individuals with felony drug convictions to receive SNAP benefits only if they have completed their sentence or are on parole, probation or in post-release supervision.

Hunt said protections exist to prevent SNAP recipients from selling their benefits and that it is unfair to single out drug felonies as the only crime that carries such a prohibition.

"It's wrong that somebody can get convicted of distribution of marijuana at age 18 ... and then be unable to receive SNAP benefits 15 years later," Hunt said. "It only becomes [clearer] what a great injustice this is when you realize that someone could have served time for murder, for rape, for robbery, for child molestation - anything - and they would still be eligible for SNAP."

Omaha Sen. Terrell McKinney supported the bill. He said individuals released from prison would be less likely to reoffend if they have access to food. Policies like the lifetime ban are outdated and punitive, he said.

"If a person serves a year, six months or even five years in prison, isn't that enough? What else do we need from these people?" McKinney said.

Sen. Julie Slama of Sterling opposed LB121, saying she did not support expanding SNAP benefits to drug felons. She suggested possibly amending the bill during the next round of

HEALTH & HUMAN SERVICES

SNAP eligibility expansion advanced

A bill that would eliminate a lifetime ban on Supplemental Nutrition Assistance Program eligibility for felony drug convictions advanced from general file March 22.

debate to exclude all individuals with felony convictions from eligibility.

“Nebraska has a very expansive SNAP eligibility criteria and I actually do support reining that in,” Slama said.

Senators advanced LB121 to select file on a 25-17 vote. Twenty-five votes were needed.

Stillbirth review proposal expanded, advanced

A bill that would expand state review of child deaths to allow inclusion of stillbirths was amended to become an omnibus family law bill and advanced from select file March 23.

As amended on general file, LB741, introduced by Bennington Sen. Wendy DeBoer, would separate the State Child and Maternal Death Review Team into the State Child Death Review Team and the State Maternal Death Review Team. The bill would allow the State Child Death Review Team to review stillbirths that occur after Jan. 1, 2023, to help identify preventable causes of stillbirths.



Sen. Wendy DeBoer

Under LB741, the team is not required to review all stillbirths but the provisions would allow it or any agency that derives its authority from the state Department of Health and Human Services to access and analyze stillbirth data.

Four amendments were adopted during select file debate.

DeBoer offered an amendment, adopted 38-0, that would redefine a stillbirth as one for which a fetal death certificate was issued by the state.

A second DeBoer amendment, adopted 34-0, added provisions of her LB245. The amendment would make several changes to adoption law, including a streamlined notification

and objection process for fathers and elimination of guardians ad litem.

She said the amendment would remove “unnecessary and antiquated” language in state law concerning adoptions.

“There currently exists uncertainty and confusion in the adoption statutes ... making it an area fraught with the risk of mistakes being made,” DeBoer said.

Plymouth Sen. Tom Brandt offered an amendment, adopted 40-0, to include provisions of his LB1009. The amendment would create a nine-member Domestic Abuse Death Review Team appointed by the Nebraska attorney general. The team would investigate domestic abuse deaths to determine causes and contributing factors that led to an individual dying by homicide or suicide as the result of domestic violence.



Sen. Tom Brandt

Brandt said Nebraska is one of only nine states without such a review team.

“The purpose of the team is to prevent future domestic abuse deaths,” Brandt said. “Domestic abuse related deaths are devastatingly common and we can best honor the lives of victims and their families by learning from these experiences.”

Lincoln Sen. Patty Pansing Brooks also offered an amendment, adopted 41-0, to include her LB901, which would require DHHS to create materials on cytomegalovirus transmission, birth defects caused by the disease and available preventative measures and treatments.



Sen. Patty Pansing Brooks

Information would be published on the department’s website and be

made available to health care facilities and providers.

Following adopting of the amendments, lawmakers advanced LB741 to final reading on a voice vote.

JUDICIARY



Abortion ban pulled from committee

A bill that would ban all abortions in Nebraska if states are given full regulatory authority over the procedure was placed on general file March 25 after a successful procedural motion.

LB933, introduced by Thurston Sen. Joni Albrecht, would become operative contingent upon one of the three national “triggering” events: if the U.S. Supreme Court overturns *Roe v. Wade*, Congress enacts a law



Sen. Joni Albrecht

giving states complete authority to regulate abortion or the U.S. Constitution is amended to give states that authority.

The bill would prohibit both medical and chemical abortions starting at fertilization with no exception for cases of rape or incest. A physician who knowingly violates the bill’s provisions would be subject to a Class IIA felony charge, which carries a maximum penalty of 20 years imprisonment.

A physician charged under the bill’s provisions could claim a defense that the procedure was necessary to prevent a woman’s death. A woman who attempts or has an abortion would not be liable under the bill. Medical treatment provided by a licensed physician that results in accidental death or injury of an unborn

fetus also would not be a violation.

Albrecht filed a motion to place the bill on general file, even though the Judiciary Committee has not voted to advance it.

She said the state is facing a “historic moment” that requires action from lawmakers. More than 200,000 abortions — a number equal to approximately 10 percent of the state’s population — have occurred in Nebraska since *Roe v. Wade* was decided in 1973, she said.

“Pull motions should indeed be rare, but they are allowed under our rules for a purpose,” Albrecht said. “[LB933] addresses a statewide issue with broad public support and the committee has declined to either advance or kill the bill. It has been 43 days since the bill hearing for LB933 in the committee.”

Norfolk Sen. Michael Flood spoke in support of the motion to pull the bill from committee. Nebraska is a pro-life state, he said, and the Legislature has a significant historical investment in protecting the lives of the unborn.

“While I’m not someone who is normally fond of pull motions — this is an issue that has been tearing at the hearts of Americans since *Roe v. Wade* was decided,” Flood said. “This rises to the level of an issue that we must address.”

Sen. Dave Murman of Glenvil also spoke in favor of the motion, saying it is important for bills to be debated by the full Legislature and for Nebraskans to provide input to their senators on how to vote.

“The committee process works in most cases. But sometimes, the committees are set up so they don’t reflect very closely at all what the makeup of the Legislature is,” Murman said. “In that case, I think the pull motion is very valuable because the people of Nebraska need to know where their senators stand on the most important issues.”

Omaha Sen. Megan Hunt spoke in opposition to the motion. Hunt said

the purpose of the committee process is for members to become experts in the subject matter that comes before the committee. Pull motions subvert that process, she said.

“In the last four years, we’ve seen this motion used time and time again to subvert the committee process to move radical, anti-women, anti-family [and] anti-choice bills through this Legislature in ways that the majority of Nebraskans just don’t agree with,” Hunt said.

Sen. John Cavanaugh of Omaha also spoke in opposition to the pull motion, saying the procedure should be reserved for addressing urgent matters. LB933 would not meet that standard because it is a “trigger” bill, he said, and would take effect only if the U.S. Supreme Court gives states sole authority over the procedure.

“The argument to pull a bill to the floor, to be debated and to be voted on by this body — that will actually have no effect unless certain circumstances happens — does not seem to meet the standard of a pull motion,” Cavanaugh said.

Senators voted 28-13 to adopt the motion to advance LB933 to general file. A majority vote of the Legislature was required.

Law enforcement reciprocity program amended, advanced

A bill intended to streamline the reciprocity process for law enforcement officers to become certified in Nebraska advanced from select file March 23.

LB1241, introduced by Sen. Steve Lathrop of Omaha, would make a number of changes to the state’s current law enforcement reci-

procuity program. Among other provisions, the bill would change the reciprocity process for law enforcement officers certified in another state.

A person seeking certification under the reciprocity process would not be allowed to exercise law enforcement authority until all requirements have been met, however they could serve as a non-certified conditional officer under the bill.

LB1241 would require that a reciprocity test be offered at least once a month and would redefine a training academy as any facility operated by multiple agencies that offers certification training. Additionally, the bill would remove a requirement that a law enforcement officer complete continuing education in the year of their retirement.

“[This bill] allows someone who is coming from out of state a swifter process to be certified as a law enforcement officer in Nebraska,” Lathrop said.

Elmwood Sen. Robert Clements offered an amendment during select file debate, adopted 42-0, that incorporated provisions of his LB1270 that would offer reten-



Sen. Robert Clements

tion payments and hiring bonuses to law enforcement officers.

Tier one would provide a payment of \$750 to officers in police departments with over 75 officers and \$1,500 to officers in departments with fewer than 75 officers who have completed one year of full-time service. Tier two would provide a \$2,500 bonus to officers in small departments for three years of full-time service and tier three would provide \$5,000 to officers who have completed five years of full-time service.

Additionally, the amendment would allow a law enforcement agency to apply for a grant to distribute hir-



Sen. Steve Lathrop

ing bonuses to newly hired full-time officers. Departments with fewer than 150 officers that currently are not at the recommended level of staffing as determined by the Nebraska Police Standards Advisory Council would be eligible for the funding.

The amendment states legislative intent to appropriate \$5 million each fiscal year to implement its provisions. The payment program would take effect July 1, 2022, and terminate June 20, 2028.

Clements said the payments would assist law enforcement agencies in their attempts to recruit and retain officers.

“Law enforcement agencies across Nebraska have seen a noticeable drop in applications to become law enforcement officers,” Clements said.

Omaha Sen. Robert Hilkemann spoke in support of the underlying bill and the Clements amendment. The best public safety strategy is the physical presence of law enforcement authority, he said.

“Most law enforcement agencies – from the sheriff to the state – lost up to 20 percent of their officers because of declining funds and they have not been replaced,” Hilkemann said. “This bill is going to be helpful in retaining officers and recruiting new officers for their replacement.”

Sen. Terrell McKinney of Omaha brought an amendment to the Clements amendment to specify that a law enforcement officer would not be eligible for tier retention incentive payments if convicted of a felony or a Class I misdemeanor or if their certification has been revoked.

An officer who has been found to have engaged in serious misconduct or been allowed to resign instead of being terminated from employment also would be ineligible.

“If we’re recruiting officers and try-

ing to retain them and there’s bonuses being handed out, then we need to make sure individuals receiving these bonuses are the model officers in our communities,” McKinney said.

Following the 41-0 adoption of the McKinney amendment, senators advanced LB1241 to final reading on a voice vote.



Income tax benefit for employers of felons amended, advanced

Businesses that hire felons would be eligible for a state income tax credit under a bill advanced from select file March 23.

Under LB917, as introduced by Omaha Sen. Justin Wayne, a company’s federal adjusted gross income or federal taxable income would have been reduced by 65 percent of the wages paid to an individual who has been convicted of a felony.



Sen. Justin Wayne

Wayne introduced an amendment on select file, adopted 42-0, under which businesses instead would be eligible for a nonrefundable state income tax credit equal to 25 percent of the wages paid to the eligible employee.

Wayne said businesses requested the change because they are more familiar with claiming income tax credits than deductions.

The credit would apply to wages paid during the first 12 months of the individual’s employment, and the total credit per employee could not exceed \$20,000.

The state Department of Revenue could approve up to \$5 million in credits each year beginning in tax year 2023.

Senators advanced LB917 to final reading by voice vote.



North Omaha recovery bill amended, advanced

A bill to aid COVID-19 recovery efforts in North Omaha was expanded into a more comprehensive measure and advanced from general file March 22.

LB1024, as introduced by Omaha Sen. Justin Wayne, originally would have appropriated \$450 million of the federal American Rescue Plan Act funds allocated to Nebraska to the North Omaha Recovery Act Fund. The funds would be used to provide grants to projects in qualified census tracts located within the boundaries of a metropolitan class city. Omaha is the state’s only metropolitan class city.

The bill also would create the North Omaha Recovery Special Committee of the Legislature, which would direct funds to North Omaha through grants to public and private entities targeted at five categories: business development, affordable housing, employment and job growth, crime prevention and public health.

The special committee would include the chairpersons of the Urban Affairs and Appropriations committees, the speaker of the Legislature and four other senators who represent legislative districts containing one or more qualified census tracts located within a metropolitan class city.

A federally qualified census tract is one in which 50 percent or more of

households have an income less than 60 percent of the area median gross income or a poverty rate of at least 25 percent.

Wayne said the bill was a “once-in-a-lifetime” opportunity to help North Omaha recover from the COVID-19 pandemic and years of neglect and racial discrimination.

“LB1024 reaffirms our commitment to all Nebraskans, not just a selected few,” he said. “It creates opportunities and social capital that we’ve never seen in an area of the state that has been neglected.”

An Urban Affairs Committee amendment, adopted on a 29-0 vote, replaced the bill. The amendment would create an Economic Recovery Division within the state Department of Economic Development, which would coordinate with the legislative committee to distribute grant funds.

Under the amendment, \$250 million of the state’s ARPA funds and \$225 million from the state’s Cash Reserve Fund would be appropriated to several specific projects, including \$60 million for development of a business park located within two miles of a major airport in a metropolitan class city, \$40 million to affordable housing and \$30 million to innovation hubs.

Omaha Sen. Terrell McKinney supported the bill. He said the North Omaha he grew up in suffered from overincarceration and underemployment.

“I can’t tell you how many times that I’ve been asked what can be done to shift the tide in North Omaha, or how help can be given,” McKinney said. “This is it.”

Sen. Mike Hilgers of Lincoln also spoke in support of LB1024. He said the bill would use free-market principles to empower North Omaha residents to significantly change their community.

“I don’t think you can change the trajectory of the community without doing the kinds of things that this bill

purports to do,” Hilgers said.

Also supporting LB1024 was Omaha Sen. Tony Vargas. He said the bill also would help South Omaha, an area he said has suffered from significant unemployment and a lack of home ownership.

Wayne offered an amendment, adopted 29-0, that added provisions of his LB915 and LB1253. The amendment would stipulate that any non-profit that has received middle-income workforce housing grant funds would not be eligible for additional grants unless they have spent at least 50 percent of previous grant funds.

It also would require DED to use at least 50 percent of the funds received from the federal Coronavirus Capital Projects Fund for eligible projects in federally qualified census tracts. Wayne said there currently is \$128 million available in that fund.

Henderson Sen. Curt Friesen offered an amendment, adopted 35-0, that struck a provision in the Wayne amendment that would have prohibited money in that fund from being used for broadband infrastructure projects.

Several senators expressed concern about the impact of LB1024 on the state’s cash reserve and the mechanics of how funding decisions would be made.

Wayne said the bill’s specifics likely would be amended on select file after lawmakers are able to debate the Appropriations Committee’s proposal to allocate the rest of the state’s ARPA funds and consider the state budget for a second round.

Senators advanced LB1024 to select file on a 28-0 vote.

Federal rental assistance application requirement approved

Lawmakers passed a proposal March 23 requiring Gov. Pete Ricketts

to apply for a second round of federal emergency rental assistance, but the bill won’t take effect until after the federal deadline to do so.

LB1073, as introduced by Omaha Sen. Justin Wayne, originally would have created a state Department of Housing and Urban Development. The bill was gutted on general file by an amendment offered by the Urban Affairs Committee to make way for an emergency rental assistance proposal from Lincoln Sen. Matt Hansen.

Under the federal program, individuals are eligible for up to 12 months of back rent and three months of future rent – up to \$20,000 – which is paid directly to their landlords. The federal government has extended the program for three years and made an additional \$120 million available.

Nebraska is one of only two states not to apply for second-round funding and the governor has indicated that he will not apply for it, saying it is not needed. Hansen has said that the first round of funds were underutilized due to a lack of promotion and a cumbersome application system.

The U.S. Treasury has extended the application deadline to March 30. Current assistance is scheduled to end Sept. 30.

An initial vote to pass LB1073 with an emergency clause – under which the bill would take effect immediately – failed on a vote of 26-16. Thirty-three votes were needed.

Senators then passed the bill 26-15 without the emergency clause. The governor has five calendar days, excluding Sunday, to veto the bill if he chooses. Thirty votes are required to override a veto. ■

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As part of Music Education Week at the Capitol, student groups from across the state performed in the Rotunda.