

Educator, librarian obscenity measure stalls

After three days of debate, a bill that would attempt to change certain criminal protections for educators and library staff failed to advance from general file March 20.

Under current law, it is a Class I misdemeanor to prepare, distribute, order, produce, exhibit or promote obscene material or possess such material with the intent to do so. A Class I misdemeanor carries a maximum penalty of a \$1,000 fine or one year in jail.

State law also provides an affirmative defense for teachers and librarians if charged with possession, distribution or exhibition of obscene material to a minor if the individual is employed at an “established and recognized educational institution” and engaged in educational activity. LB441, introduced by Thurston Sen. Joni Albrecht, would narrow that provision to apply only to employees of postsecondary educational institutions.

Currently, Albrecht said, it is against the law to show criminally obscene materials to minors, except



Sen. Joni Albrecht said the state’s current affirmative defense provisions were meant to apply only to higher education, not K-12 educators.

in K-12 schools and libraries. LB441 would close this “loophole” in Nebraska law, she said, and hold all adults to the same standard.

“It makes no sense that schools and libraries, of all places, should be given a pass to expose children to material that the law would already recognize as criminally obscene to children,” Albrecht said.

Glenvil Sen. Dave Murman supported the measure. He said that while opponents may argue that the bill infringes on First Amendment rights, obscenity is not a legally or con-

Budget bills amended, advanced to final round

Lawmakers gave second-round approval March 19 to two bills comprising the Appropriations Committee’s mid-biennium budget adjustment package.

Several amendments were offered during debate on LB1413, which would provide for the transfer of funds and create and change the use and distribution of funds.

Sen. Robert Clements of Elmwood, chairperson of the committee, offered an amendment on select file that he said would address concerns raised during general file debate. The amendment, adopted 35-0, would adjust several transfers outlined in the bill.

“There were a number of objections and questions about some of the fund transfers,” Clements said.

Among other provisions, the amendment would change a proposed one-time \$70 million transfer from the State Unemployment Insurance Trust Fund, known as SUIT, to the General Fund. The amount would be reduced to \$40 million and the transfer would go to a newly created Workforce Development Program Cash Fund. The state Department of Labor would administer the fund to provide employment training grants.

An amendment from Blair Sen. Ben Hansen to alter the rate that Nebraska employers pay into the SUIT fund and provide a five-year “tax holiday” on the 5% of the rate that is directed to the state fund was adopted 39-0.

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stitutionally protected form of speech.

Also speaking in support of the bill was Bellevue Sen. Rick Holdcroft, who said he read classics by authors such as John Steinbeck and William Shakespeare as a student. Students today can do the same, he said, and read and learn from books that do not contain sexual content.

“There are some great classics out there that I think express the same kind of things,” Holdcroft said.

Lincoln Sen. Danielle Conrad opposed the bill. LB441 could have a “chilling effect “on the ability to recruit and retain teachers and librarians, she said, due to fear of criminal prosecution. Conrad also argued that librarians are well-trained in what is appropriate material for students and should be able to do their jobs without political interference.

“If we have challenges in our schools, we need to turn down the temperature with these manufactured culture war issues,” she said. “We need to be clear-eyed and thoughtful about providing resources and a constructive political dialogue to ensure that our

public schools remain strong.”

Conrad offered a motion March 18 to bracket the bill until the end of the legislative session, which failed on a 12-28 vote. She filed several additional motions to extend discussion.

During debate March 18, Hastings Sen. Steve Halloran read an excerpt from the memoir “Lucky,” in which author Alice Sebold explicitly describes a rape that she survived while in college. During the reading, he inserted the name “Sen. Cavanaugh” several times, prompting calls from some fellow senators and others for his resignation.

Sen. Raymond Aguilar of Grand Island, chairperson of the Executive Board, announced March 20 that he had filed a complaint against Halloran in accordance with the Legislature’s sexual harassment policy and that an investigation had begun.

Plymouth Sen. Tom Brandt said he understood the desire to protect children but expressed concern that LB441 would allow a “vocal minority” to control which literary works the majority can access. School boards

and librarians should be trusted to do what is best for their districts and students, he said.

“I’m concerned about the unintended consequences,” Brandt said, adding that even classic literature could be attacked as obscene.

Sen. John Cavanaugh of Omaha also opposed the measure. He argued that a book’s context is important, and said a few passages that some find offensive may not reflect a work’s educational, historical or artistic value.

“You don’t have the context to determine what the value of that book is or what value that particular excerpt brings to the context as a whole,” Cavanaugh said.

After eight hours of debate, Albrecht offered a motion to invoke cloture, which would end debate and force a vote on the bill and any pending amendments.

The cloture motion failed 30-17, with 33 votes needed. A failed cloture motion results in debate on a proposal ceasing for the day. LB441 is unlikely to be placed on the agenda again this session. ■

UNICAMERAL UPDATE

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Budget bills amended, advanced to final round

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Elkhorn Sen. R. Brad von Gillern supported the amendment, which he said would provide more reasonable fees for business owners going forward and ensure that the SUIT fund doesn't grow beyond what is necessary.

"It's a great message to send the business community," von Gillern said.

Those provisions were later removed, however, due to technical concerns. Hansen said he plans to offer them again as an amendment to a different proposal.

The Clements amendment also would reduce a transfer from the Behavioral Health Services cash fund from \$15 million to \$13 million. Clements said the decision was based on concerns that the original transfer would leave an insufficient balance in the fund.

Also included in the amendment is language that would prioritize grants from the Water Sustainability Fund for drinking water improvements for any federally recognized Indian tribe that is under a "no-drink order" from the U.S. Environmental Protection Agency.

Lincoln Sen. Anna Wishart, vice chairperson of the committee, supported the provisions, saying the Santee Sioux Tribe currently is under such an order because of the poor quality of their drinking water.

"My hope is that if the tribes choose to apply for this funding, that their funding needs will be prioritized," Wishart said.

In addition, the amendment would provide:

- \$500,000 from the Cash Re-



Appropriations Committee chairperson Sen. Robert Clements explained his amendment during second-round debate.

serve for the state's Special Olympics program;

- \$500,000 to a project at the University of Nebraska College of Law that provides legal services to low-income families facing eviction; and
- \$2.5 million from the Cash Reserve for repairs of the water system at the Nebraska Correctional Center for Women in York.

Sen. Machaela Cavanaugh of Omaha questioned whether the Clements amendment made sufficient adjustments and continued to express concern about "sweeping" agency cash funds. Those funds were created for specific reasons by previous lawmakers, she said.

"It's reckless to raid cash funds for a one-time padding of the budget," Cavanaugh said. "When times are good, that's not when you raid the piggy bank."

Cavanaugh offered a series of motions and amendments to extend

debate on the bill, none of which were successful.

Omaha Sen. Terrell McKinney brought an amendment that would change two transfers meant to bolster housing development in Nebraska. As amended on general file, LB1413 would transfer \$20 million from the Affordable Housing Trust Fund to the Rural Workforce Housing Investment Fund and \$5 million to the Middle Income Workforce Housing Investment Fund.

Under the amendment, the \$25 million in transfers instead would be split evenly between the two funds at \$12.5 million

each. McKinney said he was seeking fairness and equity in state funding to address Nebraska's housing shortage.

North Platte Sen. Mike Jacobson opposed the amendment. He said the cost of building homes is higher in rural areas while the average household income is lower and subcontractors harder to find. In addition, he said, urban parts of the state have greater access to federal grant funds.

McKinney pushed back on that argument. Without the adjustment contained in his amendment, he said, rural Nebraska will have received over \$42 million more in workforce housing funds than urban areas — where he said the housing situation can be just as dire.

"There's housing needed all across the state," McKinney said.

The amendment failed on the first vote 23-22. Twenty-five votes were needed. Omaha Sen. Justin Wayne offered a motion to reconsider the vote, saying another bill moving forward in

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Budget bills amended, advanced to final round

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the Legislature would broaden accessibility to the Middle Income Workforce Housing Fund to more areas of the state, benefitting everyone.

The reconsideration motion prevailed and McKinney's amendment was adopted on a second vote of 25-23.

Lawmakers then advanced LB1413 to final reading by voice vote.

Mainline budget bill

Senators also amended and advanced LB1412, the mainline budget bill. The proposal would provide, change and eliminate appropriations for the operation of state government, postsecondary education, state aid, capital construction and federal funds allocated to the state from the federal American Rescue Plan Act of 2021.

An amendment from Clements, adopted 38-0, made a series of changes including providing \$500,000 in ARPA funds to a PTSD pilot program for children living in certain areas of a metropolitan class city. Omaha is the state's only metropolitan class city.

The amendment also would earmark \$600,000 for court interpreter pay increases. Funds for those positions were line-item vetoed by the governor from the budget passed by the Legislature last year and were advocated for this session by Lincoln Sen. George Dungan.

An amendment offered by Sen. Tony Vargas of Omaha would require that any unused or unspent funds appropriated to the Developmental Disability Aid program be distributed to service providers at the end of each fiscal year.

"We want to make sure these dollars go out," Vargas said, adding that many lawmakers are frustrated that the state Department of Health and Human Services routinely fails to use all of the funds appropriated to the program.

Jacobson supported the amendment, which he said would ensure accountability. When lawmakers fund agencies and programs, they need to know that funds are being used as intended, he said.

"There should never be dollars left over because that's how great the need is," Jacobson said.

Bayard Sen. Steve Erdman opposed the amendment, which he characterized as "too vague" and not the best way to approach the budgeting process for state agencies.

The Vargas amendment was adopted on a 29-18 vote.

Following several unsuccessful attempts to further amend LB1412, the bill advanced to final reading by voice vote. ■



Bill to update foreign land ownership restrictions advances

A measure intended to modernize restrictions on foreign ownership of land in Nebraska was advanced to the second round of debate March 20.

LB1301, introduced by Niobrara Sen. Barry DeKay on behalf of Gov. Jim Pillen, would add a number of conditions to the right of foreign individuals or foreign-owned companies to own land in the state.



Sen. Barry DeKay

DeKay said most of the state's laws regarding foreign ownership of land haven't been changed since 1943. While Nebraska is fortunate to have prohibitions already on the books, he said, updating is needed.

"The bill's basic intent is to modernize Nebraska's existing statutes pertaining to foreign ownership of land in this state, provide a mechanism for reviewing land purchases and give the state — not counties — the ability to carry out divestment proceedings," DeKay said.

An Agriculture Committee amendment, adopted 38-0, replaced the bill.

As amended, individuals and entities would be subject to greater scrutiny and restrictions on land ownership in Nebraska if they are on the sanctions list maintained by the federal Office of Foreign Assets Control of the U.S. Department of the Treasury or determined by the U.S. Secretary of Commerce as having engaged in a long-term pattern or serious instances of conduct significantly adverse to U.S. national security.

Among other provisions, the bill would allow individuals to report suspected foreign ownership of land by a

restricted entity, and the state Department of Agriculture would be required to investigate suspected violations and refer them to the state attorney general or, if necessary, retain outside counsel.

The court could terminate a lease that is in violation of the bill and the state could sell any real estate acquired under the bill's divestment provisions.

Sen. Brian Hardin of Gering supported the bill and the committee amendment. It is not easy to attempt to keep foreign adversaries from purchasing land in the state, he said, and a great deal of work went into LB1301.

Following adoption of the committee amendment, lawmakers voted 39-0 to advance the bill to select file.

Health benefit plans for ag non-profits broadened, advanced

A bill intended to provide affordable health benefits to Nebraska farmers and ranchers advanced to the final round of debate March 18 after lawmakers amended it to ensure more organizations could offer benefits.

Under LB1313, sponsored by Norfolk Sen. Robert Dover, health benefit plans that are sponsored by certain nonprofit agricultural organizations and provide benefits under a self-funded arrangement administered by a licensed third-party administrator would not be subject to insurance regulation.



Sen. Robert Dover

An organization that sponsors a plan must have been created primarily to promote programs for the development of rural communities and the economic stability of Nebraska farmers.

Among several other requirements, an organization also would have to be in existence for at least 50 continuous

years prior to the issuance of health benefits to its members.

Dover filed an amendment on select file to strike that provision, which he said could violate the state constitution by allowing only certain organizations to offer health benefit plans.

After voting 39-0 to adopt Dover's amendment, senators advanced LB1313 to final reading by voice vote.

Incentives for reducing synthetic fertilizer use clear first round

Nebraska farmers could receive incentives for reducing their synthetic, commercial fertilizer use and incorporating innovative technology into their farming practices under a bill advanced to select file March 20.

LB1368, introduced by Sumner Sen. Teresa Ibach, would adopt the Nitrogen Reduction Incentive Act, which would implement a program to incentivize farmers to switch from synthetic fertilizers to sustainable alternatives.



Sen. Teresa Ibach

The state Department of Natural Resources would administer the program, in collaboration with the state's natural resources districts. As introduced, the bill would provide an annual incentive of \$10 per acre to qualified farmers who verify a reduction in commercial fertilizer rates of either 25 pounds per acre or 15% by incorporating a qualifying product into the farm's nutrient plans.

An amendment offered by Ibach and adopted 34-0 would increase the required reduction in commercial fertilizer rates to 40 pounds per acre or 15%. The incentive program would be capped at \$5 million annually and would terminate Dec. 31, 2029.

Ibach said the program would take a proactive approach to creating awareness of sustainable technologies that increase yields while managing the amount of harmful nitrates in the state's aquatic ecosystems through a reduction in fertilizer use.

"Incentivizing the adoption of new, sustainable technologies is key to getting ahead of impending threats to production practices," Ibach said. "LB1368 encourages farmers to adopt efficient and sustainable practices that help Nebraska protect its natural resources [and] positions our farmers to compete globally."

Lincoln Sen. Jane Raybould spoke in support of the proposal. She said the state received approximately \$1 billion worth of requests to address water contamination issues in 2022, with nearly \$400 million of those requests directly related to nitrate and phosphate contamination in drinking water.

"This is an urgent issue facing our agriculture community," Raybould said. "I think we are way behind the times in making sure that communities all across our state of Nebraska have clean, safe drinking water."

The bill originally stated legislative intent to appropriate \$5 million in general funds in fiscal year 2024-25 for the program. The Ibach amendment instead would authorize a one-time \$5 million transfer from the state's Cash Reserve Fund to a newly created Nitrogen Reduction Incentive Cash Fund. The amendment also would specify that any general fund appropriations could be used for operating expenses only.

Elmwood Sen. Robert Clements, chairperson of the Appropriations Committee, expressed concern that funding the program through the cash reserve would not be sustainable long term. He indicated that he would support the measure if other funding sources are available, however.

Following adoption of the Ibach amendment, senators voted 35-0 to advance LB1368 to select file.

BANKING, COMMERCE & INSURANCE

Lawmakers broaden, advance banking cleanup bill

An annual banking cleanup bill was amended to become an omnibus measure and given first-round approval March 20.

LB1074, introduced by Dunbar Sen. Julie Slama at the request of the state Department of Banking and Finance, would amend various areas of state law and the Uniform Commercial Code by adopting updates to federal law relating to banking and finance. The bill also would change provisions relating to credit union examinations, receivership bonds and remedies under the Commodity Code.



Sen. Julie Slama

A Banking, Commerce and Insurance Committee amendment, adopted 33-0, added provisions of five additional measures heard by the committee this year.

LB1075, also introduced by Slama, would change provisions of the Delayed Deposit Services Licensing Act, Nebraska Installment Loan Act, Nebraska Installment Sales Act, Nebraska Money Transmitters Act and the Residential Mortgage Licensing Act.

The provisions would update existing requirements for background checks of consumer finance licensees and provide a requirement for those licensees to notify the state Department of Banking and Finance of any data security

breaches within three business days.

Also included in the committee amendment are provisions of the following:

- LB872, introduced by Elmwood Sen. Robert Clements, which would prohibit acceptance of central bank digital currency by state and local governments as a form of payment during financial transactions;

- LB710, sponsored by Sen. George Dungan of Lincoln, which would modernize and update the State Credit Union Act;



Sen. George Dungan

- LB1122, introduced by Lincoln Sen. Beau Ballard, which would change enforcement provisions relating to written solicitations for financial products or services and increase the fine from \$1,000 to \$5,000 per violation; and



Sen. Beau Ballard

- LB1294, sponsored by Sen. Eliot Bostar of Lincoln, which would change provisions relating to data privacy, including certain certificates and information relating to vital records, and provide for certain records to be exempt from public disclosure.



Sen. Eliot Bostar

Dungan offered an amendment to add provisions of his LB1176, which would regulate public entity pooled

investments. The amendment also contains provisions of Bennington Sen. Wendy DeBoer's LB1290 that aim to promote the use of special needs trusts by individuals with disabilities.



Sen. Wendy DeBoer

The Dugan amendment was adopted 33-0 and LB1074 advanced to select file on a 33-0 vote.

BUSINESS & LABOR

Amateur athlete income provisions advanced

Lawmakers advanced a bill March 18 that would make changes to state law regarding name, image and likeness income opportunities for student athletes.

LB1393, sponsored by Blair Sen. Ben Hansen on behalf of Gov. Jim Pillen, would update provisions of the Nebraska Student Athlete Name, Image or Likeness Rights Act, known as NIL. Under the bill, universities in Nebraska would be able to assist student athletes with their NIL endorsements through legal support and access to department resources, such as team facilities, equipment, social media and photographers.



Sen. Ben Hansen

The bill defines a NIL activity as one that involves the use of an individual's name, image or likeness for commercial or promotional purposes. It also would prohibit the details of a student athlete's NIL agreement from being made public.

Hansen said the measure would take a more proactive approach to

enhancing the student athlete experience and would put all educational institutions in the state in a better position to retain and recruit athletes.

“Currently, institutions work with student athletes at an arm’s length capacity that is insufficient for the institutions themselves as well as the companies, fans and the student athletes,” Hansen said. “LB1393 would allow institutions to better utilize their department resources and assist the student athletes with NIL activities.”

LB1393 also would clarify that Nebraska educational institutions could compensate a student athlete for the use of their name, image or likeness if allowed by a college athletic association policy change, court order or settlement agreement. Should such a policy change take place, the bill would clarify that NIL compensation of a student athlete does not inherently make the athlete an employee of the institution.

Bellevue Sen. Carol Blood raised concerns that the bill would prohibit student athletes from entering into NIL agreements for products, services or entities that are not consistent with the educational mission of the institution with which the students are affiliated.

“It’s their likeness and they’re selling who they are,” Blood said. “Why should we be involved with that?”

Senators advanced LB1393 to select file on a vote of 32-0.

EDUCATION

Nonpublic school regulation changes clear first round

A bill that would loosen regulations for Nebraska private, parochial, denominational, group or home-based schools that choose not to meet accreditation requirements was advanced to select file

March 20. Such schools commonly are referred to as “exempt.”

LB1027, introduced by Elmwood Sen. Robert Clements, would simplify the application process to attend an exempt school and align it with the application process for public schools. Under the bill, only one parent would need to apply to the state Department of Education for their child to attend an exempt school. Current law requires both parents or guardians to apply.



Sen. Robert Clements

Clements said the measure would be the first significant update to Nebraska’s home-school law since 1984 and aims to remove “cumbersome barriers” for parents or guardians who choose to educate their children in exempt schools.

“At that time the track record for home schools and church schools was very short, so several oversight protections were placed in law but have never been used,” Clements said. “Since then, the track record for exempt schools has proven to be very good and they currently have over 13,000 students enrolled.”

The bill would remove the department’s authority to visit or inspect exempt schools and to proctor achievement testing of exempt school students.

It also would remove subject matter testing requirements for exempt school employees, aligning the requirements for exempt school employees with those of public schoolteachers, who no longer must complete the Praxis exam.

As introduced, LB1027 also would have eliminated the annual renewal notification filed by parents. An Education Committee amendment, adopted 37-0, would restore that requirement. Clements said the department is revising the annual form to make the process easier for parents and guardians.

Lincoln Sen. Danielle Conrad offered an amendment, adopted 38-0, that would address situations in which a court has designated a single individual to make educational decisions on behalf of a child.

After adoption of an additional technical amendment, senators voted 36-0 to advance LB1027 to select file.

Teacher recruitment, retention bill advanced

Lawmakers gave first-round approval March 21 to a bill that would establish a statewide expansion program to recruit, train and support computer science and technology teachers after expanding it to become an omnibus recruitment and retention measure.

LB1284, introduced by Fremont Sen. Lynne Walz, aims to provide funding and resources to implement the provisions of the Computer Science and Technology Education Act, which the Legislature passed in 2022.



Sen. Lynne Walz

Walz said finding a way to implement the act was a priority for her this year because of the opportunities computer science and technology education can give students.

“Not only does [the bill] ensure that every student across our state is afforded the opportunity to receive computer science education, but it also helps fight [the] brain drain our state is facing and can bring in really good-paying jobs,” Walz said.

The bill would require the state Department of Education to employ or contract with computer science specialists to develop and deliver computer science educator training for teachers. The training would be accessible to all teachers in the state,

including those seeking supplemental computer science certification.

The bill also would establish the Computer Science and Technology Education Fund, which the department would administer. The fund would receive \$1.5 million in state general funds for fiscal year 2025-26 and FY2026-27. Each year after, the state would match up to \$500,000, contingent on private donations.

An Education Committee amendment would add provisions from nine other bills related to the state's efforts to recruit and retain teachers:

- LB964, introduced by Lincoln Sen. George Dungan, which would adopt the Special Education Teacher Forgivable Loan Program Act and provide University



Sen. George Dungan

of Nebraska and Nebraska State College System students with forgivable tuition loans for up to five years in exchange for their commitment to teach special education at a Nebraska elementary or secondary school;

- LB985, introduced by Elkhorn Sen. Lou Ann Linehan, which would clarify that eligibility for the Nebraska Teacher Recruitment and Retention Act also



Sen. Lou Ann Linehan

requires that an applicant teach in the area of their high-need certification;

- LB986, introduced by Linehan, which would amend the Teach in Nebraska Today Act to increase the maximum grant

total awarded each year from \$5 million to \$10 million;

- LB1005, introduced by Walz, which would provide technical changes in order to carry out provisions of a 2023 Education Committee omnibus bill;

- LB1014, also introduced by Walz, which would reimburse school districts and educational service units for the cost of contracting with outside agencies to cover required services of school psychologists;

- LB1050, introduced by Lincoln Sen. Danielle Conrad, which would create a pilot program administered by the state Department of Education to provide school districts with free menstrual products;



Sen. Danielle Conrad

to provide school districts with free menstrual products;

- LB1238, introduced by Walz, which would establish the Special Educators of Tomorrow Act and provide scholarships and loans to individuals who work as direct support professionals to become teachers certified in special education;

- LB1253, introduced by Linehan, which would provide up to \$1 million in grants to research the use of artificial-intelligence-based writing assistance for individuals with dyslexia, which teachers could use to develop a comprehensive literacy plan; and

- LB1254, also introduced by Linehan, which would provide funding to the Nebraska Department of Education to create reading improvement mentorship programs that focus on developing the science of reading skills and

employ regional coaches to assist teachers with reading instruction.

Bayard Sen. Steve Erdman opposed the amendment. He said the cost of implementing LB1284 would exceed the amount of money that the Appropriations Committee has allocated for bills anticipated to pass this legislative session.

"I'm not opposed to where the funds go," Erdman said. "I'm opposed to where the funds come from."

Elmwood Sen. Robert Clements, chairperson of the Appropriations Committee, also opposed the amendment. The package of proposals would significantly increase the bill's cost and, in turn, could endanger the sustainability of the state's budget, he said.

Glenvil Sen. Dave Murman, chairperson of the Education Committee, spoke in support of the amendment and the bill. Murman acknowledged that the fiscal impact of LB1284 would be higher than the committee had initially hoped, but said the bill would address several pressing issues facing the state, including a teacher shortage and the need to improve reading proficiency.

The amendment was adopted 25-18 and lawmakers advanced LB1284 to select file on a vote of 28-10.

Senators advance education omnibus bill

A proposal to update the Nebraska Career Scholarship Act was given first-round approval March 20 after lawmakers amended it to include several other bills related to education.

LB1329, introduced by Glenvil Sen. Dave Murman, would update the Nebraska Career Scholarship Act by transferring its administration



Sen. Dave Murman

from the state Department of Economic

Development to the Coordinating Commission for Postsecondary Education.

The measure also would expand the definition of “first-time freshman” to include high school graduates who earned credit through dual enrollment and update scholarship eligibility to require a 3.0 or higher GPA. Finally, the bill would harmonize reporting dates and guidelines with census data to take into account all eligible programs of study, retention and graduation data.

A committee amendment, adopted 39-0, added provisions from six other bills pertaining to education, including LB1339, sponsored by Gordon Sen. Tom Brewer. The provisions would allow school districts to authorize security personnel and off-duty law enforcement to carry firearms on school grounds and at school-sponsored activities.

If approved, a policy must specify qualifications, training, appropriate firearms and ammunition and appropriate use of force requirements.

Brewer said many rural school districts lack sufficient law enforcement personnel to adequately protect students or to reach a school in a timely manner in the event of an emergency.

He offered an additional amendment, adopted 33-0, to clarify that the state Board of Education and Nebraska State Patrol would collaborate to create and execute a policy authorizing security personnel to carry firearms on school premises.

Murman also offered an amendment, adopted 34-0, to further narrow the provisions to apply only to school districts with fewer than 5,000 residents.

Omaha Sen. Machaela Cavanaugh said she opposes guns in schools, but that the amendments reflected a compromise to narrow the provisions to an acceptable point.

Other bills included in the committee amendment are:

- LB673, introduced by Blair Sen.

Ben Hansen, which would provide grants to schools that adopt a policy to provide emergency response mapping data to law enforcement agencies;



Sen. Ben Hansen

- LB855, sponsored by Lincoln Sen. Danielle Conrad, which would prohibit school districts from contracting with a collection agency to assess or collect interest, fees or other monetary penalties for outstanding debts on a student’s school lunch or breakfast account;

- LB962, introduced by Sen. Justin Wayne of Omaha, which would require public schools to use only the Gall-Peters or AuthaGraph projection map for teaching purposes in the classroom;

- LB1012, sponsored by Fremont Sen. Lynne Walz, which would allow the Qualified Capital Purpose Undertaking Fund to be used for abatement projects to address school safety infrastructure concerns; and



Sen. Lynne Walz

- LB1385, introduced by Sen. Kathleen Kauth of Omaha, which would streamline the approval application process for teaching certificates and create reciprocity among states for the issuance of teaching certificates.



Sen. Kathleen Kauth

An amendment offered by Conrad, adopted 32-4, added provisions of Lincoln Sen. George Dungan’s LB231, which would direct school districts to provide written communication to parents or guardians regarding excessive absences.



Sen. George Dungan

Finally, Lincoln Sen. Beau Ballard offered an amendment, adopted 40-0, that added provisions of his LB550 to the committee package. The amendment would allow K-12 students to attend a public school outside their district once in elementary, middle school and high school, for a total of three times before graduation.



Sen. Beau Ballard

Following adoption of the amendments, LB1329 advanced to select file on a vote of 40-0.

GOVERNMENT, MILITARY & VETERANS AFFAIRS

Elimination of felon voting restriction advanced

Lawmakers gave first-round approval March 20 to a measure that would more quickly restore voting rights for felons in Nebraska.

Currently, a person automatically regains his or her voting rights two years after completion of a felony sentence, including parole. LB20, introduced by Omaha Sen. Justin Wayne last session,



Sen. Justin Wayne

would eliminate this waiting period.

Wayne said Nebraska is the only state that attaches an arbitrary waiting period before voting rights are restored after a person’s sentence is complete. LB20 simply would do away with that “additional penalty,” he said.

“At the end of the day, when you have completed your sentence – when you are done – you should be able to participate in our society fully and completely,” Wayne said.

Gordon Sen. Tom Brewer, chairperson of the Government, Military and Veterans Affairs Committee, agreed. Speaking in support of the bill, he said people who have paid for their crimes must be allowed to reenter society or they run the risk of cycling in and out of the correctional system.

Sen. Robert Clements of Elmwood opposed the measure. Given that the state once imposed a lifetime ban, he said, two years is a reasonable amount of time for someone to wait before regaining their right to vote.

Senators advanced LB20 to select file on a vote of 34-3.

Government reform bill approved

Lawmakers passed an omnibus measure March 21 aimed at furthering open government and transparency in Nebraska.

LB43, sponsored by Bellevue Sen. Rita Sanders, directs hearing officers and judges not to rely on a state agency’s interpretation of state laws or regulations in contested cases under the Administrative Procedures Act.



Sen. Rita Sanders

The bill includes provisions of six additional proposals that address the state’s Administrative Procedures Act and Public Records Act:

- LB41, sponsored by Sen. Ben. Hansen of Blair, which prohibits the state from placing “intrusive or politically motivated” filing or reporting requirements on charitable organizations beyond those required by state law unless narrowly tailored to serve a compelling state interest or to fulfill federal funding requirements;
- LB277, introduced by Gordon Sen. Tom Brewer, which creates a more restrictive standard for imposing a “substantial burden” on a person’s right to the exercise of religion and authorizes indigenous tribal members who are students in approved or accredited public schools to wear tribal regalia at any school facility or function, unless doing so would prevent school purposes or interfere with the educational process;
- LB297, sponsored by Sanders, which prohibits state and local government agencies from compelling a nonprofit organization to release the personal information of its members, supporters, volunteers or donors;
- LB366, introduced by Lincoln Sen. Danielle Conrad, which changes the threshold at which Nebraska residents may be charged for time spent fulfilling a public records request from four to eight hours and allows nonresidents to be charged the full cost of fulfilling a request;
- LB637, sponsored by Thurston Sen. Joni Albrecht, which requires a public body to allow members of the public an opportunity to



Sen. Danielle Conrad

senior citizens speak at every meeting except for closed sessions related to personnel matters, investigations regarding allegations of criminal conduct or other purposes already exempted under state law; and



Sen. Joni Albrecht

- LB650, introduced by Omaha Sen. Mike McDonnell, which amends public records law to permit the state or any political subdivision to withhold records relating to the “nature, location or function of cybersecurity.”



Sen. Mike McDonnell

LB43 passed on a 39-0 vote and takes effect immediately.



Transitional health care for homeless adults approved

Short-term housing and supportive medical services will be available for eligible adults experiencing homelessness under a bill approved by lawmakers March 21.

LB905, introduced by Ralston Sen. Merv Riepe, requires the state Department of Health and Human Services to apply for a Medicaid waiver or state plan amendment with the federal Centers



Sen. Merv Riepe

for Medicare and Medicaid Services by Oct. 1, 2025, to designate two medical respite facilities for homeless individuals in Nebraska.

The facilities — one located in a primary class city and the other in a metropolitan class city — will be reimbursed for services to qualified individuals. Lincoln is the state’s only primary class city and Omaha is the only metropolitan class city.

The bill also provides the department with authority to license adult respite care facilities and authorizes funding for the program from the Medicaid Managed Care Excess Profit Fund.

LB905 passed on a 43-0 vote.

Hospital assessment program approved

A bill intended to increase Medicaid payments to Nebraska hospitals by accessing federal matching funds through an assessment program was approved by lawmakers March 21.

LB1087, introduced by North Platte Sen. Mike Jacobson, requires the state Department of Health and Human Services to submit a state plan amendment to the Centers for Medicare and Medicaid Services for approval to impose an assessment on Nebraska hospitals.

Under the plan, each Nebraska hospital will pay an assessment fee based on their quarterly net patient revenue. The total statewide assessment amount cannot exceed 6% of the total net patient revenue of all assessed hospitals.

The program will be administered by DHHS, which will receive an administration fee of 3% of the assessment amount, not to exceed \$15 million per year. Of the total assessed



Sen. Mike Jacobson

amount, 3.5% may be used for health priorities including funding non-hospital Medicaid providers. That amount is capped at \$17.5 million.

The bill was amended on select file to remove a sunset provision adopted during an earlier round of debate.

LB1087 passed 45-0 and took effect immediately.

JUDICIARY



Senators advance veteran justice program

Nebraska would develop a justice program aimed specifically at the needs of the state’s veterans under a bill advanced from general file March 21.

As introduced last session by Gordon Sen. Tom Brewer, LB253 would have created a second law enforcement academy in western Nebraska. A Judiciary Committee amendment, adopted 34-0, gutted the bill and replaced it with the contents of a proposal from Brewer considered this session to establish a veteran justice program.



Sen. Tom Brewer

Brewer said the program would not be a “free ride” for veterans to commit crimes, but simply would ensure that the criminal justice system acknowledges how a veteran’s service can lead to criminal behavior and attempt to address those issues.

Under the committee amendment, a veteran must be eligible for probation to participate in the veteran justice program, which would use deferred judgments. Violation of a protection order, domestic violence and driving under the influence offenses would not be categorically excluded.

A veteran would qualify if there is reason to believe that a condition from military service contributed to the offense and a presumption would be created that an eligible veteran would be allowed to participate. The presumption could be overcome only if a judge determines that allowing the veteran to participate would not reasonably ensure public safety.

Upon successful completion, a veteran would be entitled to request that the court dismiss the action without entry of judgment. Courts also would be required to consider veteran status as a mitigating factor at sentencing.

Omaha Sen. Justin Wayne, chairperson of the committee, said the bill essentially would put “probation on the front end” and allow veterans a chance to overcome their struggles if they commit crimes related to the lingering effects of their service.

“It’s easy to support a veteran on Veterans Day, it’s easy on Memorial Day to say we support those who serve our country,” Wayne said. “What’s hard is when they make a mistake that is directly tied to what we put them through.”

Kearney Sen. John Lowe expressed concern that the bill “goes way too far” and could apply to serious crimes. In addition, he said, if a judgment is not entered in a case, courts would lack important information if a veteran were to offend again.

Wayne said he would work on the bill with various stakeholders before the next round of debate.

Following adoption of the committee amendment, senators gave LB253 first-round approval on a 38-0 vote.

Safe haven expansion clears first round

Senators advanced a bill to select file March 20 that would expand safe haven provisions for infants in Nebraska.

Current state law allows for the surrendering of infants 30 days or younger in person at a hospital. LB876, as introduced by Bellevue Sen. Rick Holdcroft, would adopt the Newborn Safe Haven Act, which would provide additional options for a parent or a person acting on the parent's behalf to release custody voluntarily of an infant that is 90 days or younger.



Sen. Rick Holdcroft

In addition to hospitals and other health care facilities, the bill would allow a parent or designee to surrender physical custody at a fire or police station that has staff present 24 hours a day, with an emergency medical provider or at a newborn safety device installed at an approved location.

The newborn safety device — a padded and climate controlled receptacle designed for infants — would need to be visible to staff or have a motion sensor or dual alarm system. The dual alarm system would sound an alert when the receptacle opens and immediately notify 911 to dispatch an emergency care provider to the box's location.

Holdcroft said there have been 14 infants surrendered since current Nebraska safe haven provisions were established in 2008, while nearly 200 infants were abandoned during the same time period.

"I believe LB876 directly addresses the disparity between these two numbers and should, in theory, reduce the number of abandonments to zero," Holdcroft said.

The bill states legislative intent to appropriate \$15,000 to the state Department of Health and Human Services in fiscal year 2023-24 for grants to purchase newborn safety devices for authorized drop-off locations. In addition, DHHS would receive \$50,000 in

FY2024-25 and \$10,000 each year after to develop, implement and maintain a public information program regarding the Newborn Safe Haven Act.

No individual would be prosecuted solely for the act of surrendering a newborn under the bill's provisions.

North Platte Sen. Mike Jacobson spoke in support of the proposal, saying it was "critically important" to provide additional outlets for parents who may be struggling postpartum.

"We need to look at the bigger issue," Jacobson said, "and that's saving young babies."

Bellevue Sen. Carol Blood supported the expansion of drop-off locations and community resources, but said she was "adamantly opposed" to the implementation of newborn safety devices, often referred to as 'baby boxes.' Such devices are not subject to inspection or approval by the federal Consumer Product Safety Commission or the American Society for Testing and Materials, she said.

In addition, Blood said, the devices would not address the root causes of child abandonment, such as sexual or physical abuse, mental illness, isolation or the inability to access health care.

"My concern is that we are putting babies at risk," Blood said. "Babies are not bank deposits; they don't belong in boxes."

A Judiciary Committee amendment would have provided the juvenile court with jurisdiction over children surrendered under the Newborn Safe Haven Act and offered further criminal protections for parents who surrender an infant.

Omaha Sen. Justin Wayne, chairperson of the committee, acknowledged several concerns about the amendment, including "broad language" that would provide parents with blanket immunity from prosecution for neglect of a child who is the biological sibling

of an infant surrendered under the Newborn Safe Haven Act.

Wayne also said contradictory language in the amendment would both require the department to attempt to locate a parent or family member of a surrendered child before terminating parental rights and forbid them from doing so.

Holdcroft agreed to work with Blood and Wayne to address their concerns on select file and asked senators to vote down the pending committee amendment, which under legislative rules could not be withdrawn.

Following a 0-35 vote on the committee amendment, lawmakers voted 38-0 to advance LB876 to select file.

DACA provision removed from law enforcement measure, bill advanced

A proposal requiring county sheriff candidates to be certified law enforcement officers upon filing for office was narrowed and given second-round approval March 18.

LB894, introduced by Sumner Sen. Teresa Ibach, would require county sheriff candidates to possess a diploma issued by the Nebraska Commission on Law Enforcement and Criminal Justice before running for office. Additionally, upon filing to run for county sheriff, candidates would need to submit a standardized letter from the Nebraska Law Enforcement Training Center director certifying the issuance of their certificate or diploma.



Sen. Teresa Ibach

The measure also would require that newly elected and appointed county sheriffs attend and complete a sheriff's certification course and obtain certification within eight months of taking

office. County sheriffs elected to office before July 19, 1980, would be exempt.

LB894 was amended on general file to add provisions of Omaha Sen. Justin Wayne's LB918. Those provisions would permit individuals who have received Deferred Action for Childhood Arrivals status to receive law enforcement training and certification.



Sen. Justin Wayne

Ibach offered an amendment on select file to remove those provisions. She said more information had come to light between the two rounds of debate that raised questions about the provisions — including constitutional concerns related to federal prohibitions on DACA recipients possessing firearms.

In addition, she said, the provisions would apply to DACA recipients only and not to other immigrants who are in the U.S. legally.

"I do not believe that this is fair to allow one group of individuals without citizenship [to receive law enforcement training] while continuing to exclude another group," Ibach said, adding that she would "welcome" development of a more comprehensive piece of legislation over the interim.

Sen. Machaela Cavanaugh of Omaha opposed Ibach's amendment. While other populations of non-citizens could be included in a future proposal, she said, lawmakers should not strip DACA recipients' eligibility for law enforcement training from LB894.

"We have to start somewhere — and DACA individuals seem like a great place to start," Cavanaugh said.

Omaha Sen. John Fredrickson also opposed the amendment. He said other states, including California and Colorado, have passed legislation that allows DACA recipients to be employed in law enforcement.

"It does look like there is a way to do this that is sound and within a legal framework," Fredrickson said.

Sen. Robert Dover of Norfolk supported the Ibach amendment, saying he had heard from many constituents opposed to the Wayne amendment since it was adopted on general file, including a sheriff who was concerned that the DACA provisions would expose counties to lawsuits.

Wayne said that because LB894 was designated as a speaker priority bill, an amendment should not be added to the measure unless the introducer agrees to it. Since Ibach changed her mind, Wayne said, he would not attempt to keep his amendment attached to the bill.

"I'm not fighting it in that regard ... because of the guidelines that were put out, if [she] doesn't want the amendment on there, take it out," Wayne said.

The Ibach amendment was adopted 25-11. Twenty-five votes were needed. Lawmakers then advanced LB894 to final reading by voice vote.

Consumer protections expanded, advanced

A bill that would grant Nebraska's attorney general increased powers to prosecute businesses and business owners for deceptive or unfair trade practices earned first-round approval from senators March 21.

LB934, introduced by Lincoln Sen. Carolyn Bosn, would authorize the attorney general to bring a trial by jury under the Consumer Protection Act or the Uniform Deceptive Trade Practices Act. Additionally, the bill would authorize the attorney



Sen. Carolyn Bosn

general to freeze assets of businesses or business owners suspected of engaging in deceptive practices.

Bosn said the measure would provide the attorney general with additional tools to protect consumers and prioritize restitution for victims who have lost their hard-earned money to scams.

"This bill will allow Nebraskans the best opportunity to be able to get their money back," she said.

A Judiciary Committee amendment, adopted 33-0, would allow the attorney general and a defendant to demand a jury trial for claims brought under either act. Among other technical changes, the amendment also would require the attorney general to have "reasonable cause" before taking specific actions such as requiring statements or freezing assets.

Sen. Christy Armendariz of Omaha offered an amendment, adopted 33-0, which would



Sen. Christy Armendariz

add provisions of her LB1096. The provisions would expand the Uniform Deceptive Trade Practices Act to include the creation, distribution, monetization or promotion of sexually explicit conduct, obscene material or material that is harmful to a minor as deceptive trade practices.

Armendariz said the amendment would expand protection beyond the geographic limits of current criminal jurisdictions to hold accountable the "most prolific purveyors" of exploitation of children and sex trafficking victims.

After adopting the amendments, lawmakers advanced LB934 to select file on a 35-0 vote.

NATURAL RESOURCES

Conservation exemption for road projects amended, advanced

Lawmakers gave first-round approval March 20 to a bill intended to better balance the conservation of Nebraska's threatened and endangered species with highway maintenance.

Under LB1335, as introduced by Columbus Sen. Mike Moser, the Nebraska Nongame and Endangered Species Conservation Act would not apply to the actions of state agencies or political subdivisions in certain circumstances when they design, construct, reconstruct, repair, operate or maintain transportation infrastructure, including roads, streets and highways.



Sen. Mike Moser

Moser said the act is too restrictive and prevents the state Department of Transportation from balancing the needs of the state's transportation system with conservation efforts.

Under the bill, the act would apply to any initial action by an exempted party that creates new transportation infrastructure in areas not previously dedicated to it or any subsequent action that increases the area of existing transportation infrastructure.

Exempted parties could ask the state Game and Parks Commission for support and recommendations relating to transportation infrastructure projects' potential impact on threatened or endangered species.

A Natural Resources Committee amendment, adopted 36-0, replaced the bill with a modified version of the original proposal.

Sen. Bruce Bostelman of Brainard,

the committee chairperson, said that, among other changes, the amendment would create a consultation process by which the commission could permit a state agency's incidental taking of an endangered or threatened species.

Under the amendment, an exempted party also would be required to restore areas of temporary disturbance on real property it owns after construction, reconstruction, repair, operation or maintenance to the extent it deems practical.

Additionally, the amendment would allow the commission to determine that any species of wildlife or wild plant should receive a different state-listed status after a change in its federal status by completing a formal listing process.

Except in certain circumstances, the commission could not designate or remove designation of critical habitat for threatened or endangered species without first providing public notice and meeting several other requirements.

LB1335 advanced to select file on a vote of 39-0.

Power plant closure requirement amended, advanced

A bill intended to ensure reliability of the electric grid received first-round approval from lawmakers March 21 after they amended it to include several other proposals heard by the Natural Resources Committee this session.

Sen. Bruce Bostelman of Brainard, sponsor of LB1370, said the North American Electric Reliability Corporation and others have identified the retirement of dispatchable electric generation facilities — which the bill defines as those that use coal, hydrogen, hydropower, natural gas or nuclear power — as a "serious issue"



Sen. Bruce Bostelman

that could lead to an electric generation shortfall in the future.

The bill as introduced would require public power districts and other electric suppliers to replace a dispatchable electric generation facility before retiring it.

A committee amendment, adopted 29-0, instead would require those entities to provide written notice to the Nebraska Power Review Board when they decide that a dispatchable electric generation facility with a capacity of more than 100 megawatts should be retired.

The board then could hold a hearing, which would be closed to the public, on the proposed closure. Whether or not a hearing is held, the board would provide written recommendations to the entity as to whether the decommissioning is in the best interests of the entity and its customers.

The recommendations would be advisory only, but the entity would be required to consider them before making a final decision on the closure.

The proposed requirement would not apply to any decision to retire a dispatchable electric generation facility made prior to the bill's effective date.

Additionally, the amendment would define a dispatchable electric generation facility as one that, under normal operating conditions, can increase or decrease its power output on demand to provide electricity onto the grid on an ongoing basis.

The amendment also includes provisions of four other bills related to natural resources.

The amended provisions of LB120, introduced by Bostelman last session, would require electric suppliers to provide written notice to the Power Review Board before commencing construction on or acquiring certain electric generation facilities or transmission lines located within a 10-mile radius of a military installation.

The notice would certify that the facilities contain no materials, electronics or other components manufactured by any foreign government or foreign nongovernment person determined to be a foreign adversary under federal regulations.

An electric supplier would be exempt from the requirement if it certifies to the board that it complies with the critical infrastructure protection requirements issued by the North American Electric Reliability Corporation.

The amended provisions of LB956, sponsored by Lincoln Sen. Eliot Bostar, would require an owner of a wind energy conversion system to apply to the Federal Aviation Administration for approval to install and operate a light-mitigating technology system on wind turbines in certain circumstances beginning July 1, 2025.

The amendment would require an owner to install the system on wind turbines within two years of receiving FAA approval.

The amended provisions of LB969, introduced by Sen. Barry DeKay of Niobrara, would increase the minimum dollar amount thresholds of certain projects for which a public power district is required to advertise for sealed bids.

The provisions of LB1260, sponsored by North Platte Sen. Mike Jacobson, would allow a director of a public power and irrigation district

to have an interest in a residential lease or water service agreement with the district and to discuss or vote on those agreements.

Senators voted 29-0 to advance LB1370 to select file.

REVENUE

Homestead exemption for partially disabled veterans advances

Partially disabled veterans could qualify for a homestead exemption under a bill advanced from the first round of debate March 20.

Under LB126, as introduced by Sen. Jen Day of Omaha, veterans who are at least 10% but less than 100% disabled due to a service-connected disability would qualify for a homestead exemption in an amount based on their disability percentage.

Day said only veterans with a 100% service-connected disability currently qualify for a homestead exemption. However, she said, veterans with partial disabilities as defined by the U.S. Department of Veterans Affairs rating system – including partial arm amputations – also suffer major physical and psychological effects from their injuries.

“It’s my hope that we can provide targeted property tax relief to those who have made these life-changing sacrifices,” Day said.

A Revenue Committee amendment, adopted 39-0, would replace the bill. It instead would create a new exemption under which claimants would pay a minimum amount of property taxes based on their house-

hold income. The exemption would be available to each category of current homestead exemption claimants.

A veteran who was discharged under honorable conditions, is drawing compensation from the U.S. Department of Veterans Affairs because the veteran is at least 50% disabled due to a service-connected disability and is not eligible for a total homestead exemption also would qualify for the new exemption.

A claimant of the new exemption would pay a minimum of \$1,200 per year in property taxes. A claimant with an income between \$38,910 and \$100,000 if married or between \$27,237 and \$70,000 if single would pay an additional \$120 to \$4,800 per year.

To qualify for the new exemption, the value of a claimant’s total household assets at any point in the three years prior to application would have to be less than or equal to \$1 million.

An application for the new exemption also would have to include documentation showing that the claimant has begun receiving Social Security or other retirement benefits.

For a new owner of property in a qualified census tract who receives the new exemption, the property would be valued at 50% of its actual valuation for five years.

The amendment also includes provisions of LB1151, introduced by Norfolk Sen. Robert Dover, which would update the definition of “occupy” under the homestead exemption program.

Under his proposal, a departure from a property for health or legal reasons would not disqualify an owner from receiving an exemption so long as they demonstrate an intention to return to the property.

Sen. Lou Ann Linehan of Elkhorn,



Sen. Eliot Bostar



Sen. Jen Day



Sen. Barry DeKay



Sen. Mike Jacobson



Sen. Robert Dover

chairperson of the committee, said the proposed changes in the amendment are intended to prevent abuse of the homestead exemption program and “skinny down” exemption amounts so that more Nebraskans can benefit.

Adams Sen. Myron Dorn supported the amendment, saying it would help control the homestead exemption program’s cost and ensure that it fulfills its intended purpose of allowing elderly and disabled Nebraskans to stay in their homes.

Dorn said an approximately \$14 million increase in appropriations is needed to fully fund the program this fiscal year. As property valuations continue to rise, he added, the program’s total cost is projected to grow from approximately \$142 million this fiscal year to \$149 million next year.

Sen. Mike Jacobson of North Platte voted to advance LB126 to the second round of debate but said he could not support it as amended. Many rural Nebraskans could lose their homestead exemption due to the proposed changes, he said.

Linehan disagreed. She said current claimants would be eligible to claim the same exemption in future years, or they could choose to claim the new one.

Bellevue Sen. Rick Holdcroft introduced an amendment, adopted 40-0, to include provisions of his LB1019. They would require county assessors or county clerks to correct the assessment and tax rolls after a final order of the Tax Equalization and Review Commission.



Sen. Rick Holdcroft

Holdcroft said the change would eliminate the current requirement that a county board of equalization hold a hearing and vote on a final order of

the commission.

Senators voted 39-0 to advance LB126 to select file.

Immediate deduction of equipment, R&D expenses advanced

Lawmakers gave first-round approval March 21 to a proposal intended to incentivize Nebraska businesses to invest in new equipment and technology after amending it to include several other tax-related bills.

The 2017 Tax Cuts and Jobs Act enacted by Congress allowed businesses to fully and immediately deduct expenses for certain business machinery and equipment, as well as research or experimental expenditures. Those two tax breaks have since expired, requiring businesses to deduct their expenditures over a period of several years.

LB1023, introduced by Elkhorn Sen. R. Brad von Gillern, would decouple Nebraska’s tax code from both federal provisions, reinstating the immediate deductions for state income tax purposes.



Sen. R. Brad von Gillern

He said allowing business owners to fully deduct their expenses in the current year would free up money they could use to reinvest in their operations or hire new employees.

Von Gillern introduced an amendment, adopted 37-0, under which patrons of a cooperative corporation also could claim the deductions.

A Revenue Committee amendment, adopted 35-0, included the provisions of five other bills heard by the committee this session, including two that relate to income earned by nonresident individuals.

Under the amended provisions

of LB173, sponsored by Sen. Eliot Bostar of Lincoln, and LB416, introduced by Omaha Sen. Kathleen Kauth, compensation paid to a nonresident individual would not constitute income derived from sources within Nebraska if:



Sen. Eliot Bostar



Sen. Kathleen Kauth

- the compensation is paid to the individual while in the state to attend a work-related conference or training;
- the individual is present in Nebraska for seven or fewer workdays in the taxable year;
- the individual worked in more than one state during the taxable year; and
- total compensation while in Nebraska does not exceed \$5,000 in the taxable year.

Additionally, compensation paid to a nonresident who serves on the board of directors of a business and that relates to the board’s activities in the state would not constitute Nebraska-derived income.

The provisions of LB1049, also sponsored by Bostar, would decrease the maximum occupation tax on receipts from the sale of telecommunications service from 6.25% to 4% beginning Oct. 1, 2024.

The amended provisions of LB1113, introduced by Sen. Fred Meyer of St. Paul, business equipment used primarily for the capture and compression of carbon dioxide would be eligible for a personal property tax exemption



Sen. Fred Meyer

under the Imagine Nebraska Act.

Under amended provisions of LB1400, sponsored by Lincoln Sen. Beau Ballard on behalf of Gov. Jim Pillen, an employer that pays relocation expenses for a qualifying employee could apply to the state Department of Revenue for a refundable state income tax credit of up to \$5,000.



Sen. Beau Ballard

The department could not grant a credit unless the employee is paid an annual salary of between \$70,000 and \$250,000. The department could approve a maximum of \$5 million in credits under the program each year.

In addition to the employer credit, the employee would be eligible to make a one-time election to exclude their Nebraska-sourced income from state income tax for the taxable year.

The department could recapture the credit amount, and any reduction in tax as a result of the exclusion, if the employee does not maintain residency in Nebraska for two years.

LB1023 advanced to select file on a vote of 35-0.

TRANSPORTATION & TELECOMMUNICATIONS

Working group for county bridge match funds advanced

A new working group would award state matching funds to repair and replace county bridges under a proposal that advanced from the first round of debate March 20.

The program, created by the Legislature in 2016 and administered by the state Department of Transportation, provides state funding to accelerate

the repair and replacement of deficient bridges on the county road system. The state reimburses counties for 55% of a selected project's construction costs, up to \$250,000 per bridge.

The Legislature last session extended the program's sunset date to 2029.

LB1030, introduced by Brainard Sen. Bruce Bostelman, would create the County Bridge Match Working Group, which would develop criteria for program participation, as well as for county matching fund requirements. It also would score applications and award funds.



Sen. Bruce Bostelman

The governor would appoint two of the group's members from a list of county highway superintendents, county surveyors or county engineers submitted by a statewide association representing county officials. The department director would select three department members to serve on the group.

Bostelman said the proposed changes came at the request of county officials, who want to be more involved in the process of scoring applications and awarding grants under the program.

LB1030 would require the state treasurer to make two \$4 million transfers, one this fiscal year and another in 2025, from the Road Operations Cash Fund to the Transportation Infrastructure Bank Fund to be used for the County Bridge Match Program.

Lawmakers voted 35-0 to advance the bill to select file.

Updated broadband standards, 911 requirements advanced

A bill to harmonize broadband internet standards advanced to the second round of debate March 18 after lawmakers amended it to include

provisions of several other bills related to telecommunications.

Under LB1031, as introduced by Brainard Sen. Bruce Bostelman, the Nebraska Public Service Commission could not provide ongoing high-cost support from the Nebraska Telecommunications Universal Service Fund for infrastructure not capable of internet access at certain minimum speeds.

Bostelman said the bill is intended to end state support for obsolete copper-based telecommunications networks that cannot provide internet at speeds necessary to meet modern needs.

Under a Transportation and Telecommunications Committee amendment, adopted 36-0, the commission could not provide ongoing high-cost support for any broadband serviceable location not capable of internet access at speeds of at least 100 megabits per second for downloading and 20 Mbps for uploading unless the location is subject to a federally enforceable commitment for deployment of infrastructure capable of those speeds.

The requirement would take effect 18 months after the bill's operative date. Beginning in 2029, the commission would not provide ongoing support for those locations regardless of any federally enforceable commitment.

The amendment also would update several areas of state law to define broadband service as capable of providing internet access at speeds of at least 100 Mbps for downloading and 20 Mbps for uploading.

The provisions of five other bills heard by the committee this session also are included in the amendment.

The provisions of LB865, also sponsored by Bostelman, would require broadband internet service providers operating in Nebraska to submit an annual report to the Nebraska Broadband Office with information on each standard internet

service plan advertised by the provider and the associated rates.

Under the provisions of LB1038, introduced by Sen. Barry DeKay of Niobrara, one of the five members representing the general public on the Nebraska Information Technology Commission would have agriculture as their principal business or occupation.



Sen. Barry DeKay

The provisions of LB1180, sponsored by Lincoln Sen. Anna Wishart, would revise standards and criteria that determine eligibility of deaf, hard of hearing and speech-impaired Nebraskans who apply to the PSC for specialized telecommunications equipment.



Sen. Anna Wishart

Currently, one person per household may receive equipment. Under the amendment, two residents at the same address could receive it, and a recipient could reapply for assistance every three years instead of every five.

The amended provisions of LB1255, introduced by Sen. John Fredrickson of Omaha, would require originating service providers, providers of telecommunications relay services and



Sen. John Fredrickson

the state's next-generation 911 service contractor to ensure that 911 calls are transmitted to next-generation 911 or other points designated by the state 911 director no later than Jan. 1, 2026.

Providers could enter into an agreement with the director to establish an alternative deadline for meeting another proposed requirement that all translation and routing is completed

to deliver all 911 calls to the next-generation 911 system.

The amendment also would require the next-generation 911 service contractor to submit an annual report to the Transportation and Telecommunications Committee and to the state 911 director on the capabilities and redundancies of the next-generation 911 service network.

Fredrickson introduced an amendment, adopted 38-0, that would require providers and the contractor to enter into an agreement to meet the transmission, translation and routing requirements no later than 10 months before the 2026 deadline. If no agreement is reached by then, they would be required to notify the PSC to seek resolution.

Under the amended provisions of LB1256, sponsored by Bennington Sen. Wendy DeBoer, a communications service provider required to file reports regarding 911 service system outages with the Federal Communications Commission also would have to file copies of those reports with the PSC.



Sen. Wendy DeBoer

The amendment would require the PSC to hold a public hearing within 90 days of receiving a report. The requirement would not apply if a provider withdraws the report filed with the FCC or if the PSC waives it by a majority vote.

After adopting two additional technical amendments, lawmakers voted 38-0 to advance LB1031 to select file.

URBAN AFFAIRS

Local anti-poverty plans, housing agency provisions advanced

A bill that would require certain cities to create detailed poverty elimination plans advanced to the second round of debate March 20 after lawmakers amended it to include proposals intended to address concerns about Omaha's public housing agency.

LB840, as introduced by Omaha Sen. Terrell McKinney, would, beginning July 1, 2025, require Nebraska cities with a population of at least 50,000 to adopt a five-year poverty elimination action plan, reevaluate



Sen. Terrell McKinney

the plan every two years and update it every five. Cities would submit the plans to the Urban Affairs Committee and the Clerk of the Legislature.

McKinney said the measure is intended to make antipoverty initiatives more transparent and effective.

"We may never actually eliminate poverty, but I think we should try," he said. "We all have a responsibility in our capacities to try to do something about it."

Each city's plan would outline its goals for eliminating poverty in current high-poverty areas, qualified census tracts and economic redevelopment areas and describe its planned use of federal, state and local incentives to reach that goal.

In addition to the plans, LB840 would require metropolitan, primary and first class cities with a population of at least 20,000 to submit a report to the committee every other year describing their efforts to eliminate poverty.

Reports would contain more than a dozen key components, including a comprehensive needs assessment, education and job training and affordable housing. The committee could request any city to present its report at a public hearing.

Under a committee amendment, adopted 31-12, the requirements would apply only to primary and metropolitan class cities. Lincoln is the state's only primary class city, and Omaha is its only metropolitan class city.

The amendment also contains provisions of four other bills heard by the committee this session, two of which McKinney said were introduced in response to the Omaha Housing Authority's eviction practices and unresponsiveness to residents' complaints about conditions at the agency's properties.

The amended provisions of LB530, sponsored by McKinney, would make several changes related to local housing agencies established by metropolitan class cities.

Under the proposal, the mayor would appoint an agency's nine commissioners – an increase from seven – including three resident commissioners. All commissioners would serve four-year terms.

The committee amendment also would have required the mayor to appoint a housing agency's executive director. McKinney introduced an amendment, adopted 28-10, to strike that provision.

Additionally, an officer or employee of the city that established the housing agency would not be eligible to serve as a commissioner until four years after leaving that position. A commissioner could not have an ownership interest in or be employed by any entity doing business with the agency.

Under current law, a housing agency resident has the opportunity to contest the termination of their tenancy in a hearing conducted by the agency.

The amended provisions of LB1046, sponsored by Sen. John Cavanaugh of Omaha, would create new requirements for that process and for related eviction proceedings if a premises is located in a metropolitan class city.

Under the amendment, counsel would be appointed for the resident prior to the termination hearing unless the tenant already is represented. If the resident does not request a hearing and the housing agency files an eviction, the county court would appoint counsel to represent the resident during eviction proceedings.

The housing agency would pay for any court-appointed counsel and could not assess a fee against any resident for legal services provided.

Cavanaugh said the proposal is intended to protect the rights of OHA residents, who are much more likely to become homeless after eviction than someone who is evicted from private rental housing.

He said OHA filed more than 400 evictions last year, some for amounts as small as \$60. OHA also miscalculated some residents' rent and violated federal guidelines by not notifying them of an administrative grievance procedure they could have used to protest rent increases, Cavanaugh said.

The provisions of McKinney's LB530 would require OHA to establish that procedure as well as a complaint process for residents.

North Platte Sen. Mike Jacobson opposed the amendment and the bill.

He objected to using taxpayer funds to pay for legal services for those who receive taxpayer-subsidized housing.

The committee amendment also contains two proposals intended to address Nebraska's affordable housing shortage.

The amended provisions of LB881, introduced by Sen. Beau Ballard of Lincoln, would change the definition of urban community in the Middle Income Workforce Housing Investment Act.

McKinney said the change would allow cities in Lancaster and Sarpy counties other than Lincoln and Omaha to qualify for grants under the act.

The provisions of LB843, also introduced by McKinney, would increase the maximum grant that the state Department of Economic Development could award to a nonprofit development organization under the act from \$5 million to \$10 million.

The amendment also would decrease the amount of matching funds an applicant must provide from at least 50% of the grant funds awarded to at least 25%.

Omaha Sen. Jen Day supported the amendment. She said raising the cap is necessary because certain nonprofits already have reached the current grant limit, demonstrating the state's need for affordable housing.

LB840 advanced to select file on a vote of 30-11. ■



Sen. John Cavanaugh



Sen. Beau Ballard

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Former state senators were invited to the George W. Norris Legislative Chamber March 20 to be recognized by the Legislature.