

Incremental fuel tax increase of 1.5 cents advanced



Sen. Jim Smith (right) explains the long-term financial impact of a gas tax increase to Sens. Les Seiler and Al Davis.

Following two days of debate, legislators gave first-round approval April 1 to a bill that would increase the fixed fuel tax by 1.5 cents annually for four years.

Currently, the fixed fuel tax appropriated to the state Department of Roads is 7.5 cents on each gallon of gasoline, while cities and counties are allocated 2.8 cents.

LB610, introduced by Papillion Sen. Jim Smith, would increase the tax allocated to the department by one-half cent per gallon annually for four years and cities and counties would see a one-cent increase.

Smith said the state has a backlog of road repairs estimated to cost hun-

dreds of millions of dollars.

“Counties and cities are becoming more and more dependent upon property and wheel taxes to meet their needs,” he said. “We need a pay-as-you-go approach to fixing our ailing roads and bridges.”

Cities and counties would see increases of \$4.2 million in FY2015-16, \$16.9 million in FY2016-17, \$29.6 million in FY2017-18 and \$42.3 million in FY2018-19.

The proposed change to the fixed fuel tax would increase revenue to the department by \$2.1 million in fiscal year 2015-16, \$8.5 million in FY2016-17, \$14.8 million in FY2017-18 and \$21.2 million in FY2018-19.

(continued page 2)

Three four-year legislative terms advanced

Senators gave first-round approval March 30 to a proposed constitutional amendment that would extend legislative term limits.

Currently, a state senator can serve two consecutive four-year terms. LR7CA, introduced by Columbus Sen. Paul Schumacher, originally would have extended this to two six-year terms. The resolution was later amended to provide three four-year terms.

Schumacher said that term limits have been both good and bad for the state.

“This is a policy decision the people have made that two terms was enough and good would come from bringing in new blood and new ideas to the Legislature,” he said. “As with any good idea, there is always a need for tweaking to make a good idea better.”

Under the Executive Board amendment, adopted 35-4, state senators could serve three four-year terms. Chairperson Sen. Bob Krist of Omaha said adding one more four-year term would be the easiest transition to 12 years of service, which was the goal of the original bill.

Ogallala Sen. Ken Schilz supported extending term limits, saying that longer service helps senators to be more effective advocates for their districts.

“I have been here for six years now. I’m still learning things almost every day about how this body functions,

(continued page 2)

Incremental fuel tax increase advanced

(continued from front page)

Norfolk Sen. Jim Scheer supported the bill. He said that the state's gas tax has not kept pace with the rise of more fuel-efficient vehicles.

"When we pay for the repair of roads on a per-gallon basis, then we're not staying current," Scheer said. "The vehicles still have the same wear and tear on the roads, but we're taking in less money. If we're going to continue to charge on a per-gallon basis, we need to address the fact that we're driving more but buying less gas."

Saying that tax relief should take priority, Sen. Tommy Garrett of Bellevue opposed the bill.

"We don't fix our tax situation by increasing another tax," he said. "We need to stop kicking the can down the road. I know bridges and roads need fixing, but number one on the priority list has to be taxes."

Senators advanced the bill to select file on a 26-10 vote. ■

Three four-year legislative terms advanced

(continued from front page)

how best to work and strategize," he said. "Is four or eight years long enough to give your constituents the most effective tool that they can have in this Legislature?"

Papillion Sen. Bill Kintner favored the committee amendment's pro-

posal of three four-year terms, saying it would promote accountability.

"When you have to go knock on doors, meet with people, you find out what's going on in your district," Kintner said. "When you have to run three times [instead of two], you have

to be more responsive to their constituents."

Opposing both term limit proposals, Omaha Sen. Robert Hilkemann said that it is too soon to be revisiting the issue, since it was rejected in elections in 2000 and 2012.

"The people of Nebraska have spoken twice on this and they say two four-year terms," he said. "Do we not get it? It's alright to discuss this but I think our present system is just fine."

Senators advanced the proposed constitutional amendment to select file on a 27-12 vote. ■



Sen. Paul Schumacher said legislative term limits should be re-evaluated.

UNICAMERAL UPDATE

The Unicameral Update is a free, weekly newsletter published during the legislative session. It is produced by the Clerk of the Legislature's Office through the Unicameral Information Office. For print subscriptions, call 402-471-2788 or email uio@leg.ne.gov. Visit us online at Update.Legislature.ne.gov and follow us on Twitter.com/UnicamUpdate.

Clerk of the Legislature: Patrick J. O'Donnell

Editor: Heidi Uhing; Writers: Kate Heltzel, Ami Johnson, Jon Taylor; Photographer: Bess Ghormley

Printed copies of bills, resolutions and the Legislative Journal are available at the State Capitol room 1104, or by calling 402-471-2709 or 800-742-7456. Status of bills and resolutions can be requested at that number or can be found on NebraskaLegislature.gov. Live video of hearings and floor debate can be viewed on NET2 and at NetNebraska.org/capitol.

Senators may be contacted by mail at this address:

Senator Name, District #, State Capitol, P.O. Box 94604, Lincoln, NE 68509-4604

Assistance provided by the Clerk of the Legislature's Office, the Legislative Technology Center, committee clerks, legal counsels, journal clerks, pages, transcribers, mail room and bill room staff and the State Print Shop.

THE NEBRASKA LEGISLATURE'S OFFICIAL NEWS SOURCE SINCE 1977

MEET THE SENATOR

Veterinarian enjoys new role as senator

Be-coming a lawmaker has yielded an unexpected benefit during flights for Sen. John Kuehn, a veterinarian from Heartwell.

If he wants to start a conversation with those seated next to him, “I tell them I’m a veterinarian,” he said.

If he doesn’t feel like talking, he said, “I tell them I’m a senator.”

The advantages of being identified by his vocation have followed Kuehn to the legislative chamber, where his colleagues already have called upon the new senator for his medical expertise. It seems Kuehn has finally found seatmates who like to talk to both veterinarians and politicians.

“It’s humbling to have been includ-

ed and asked for my opinion,” he said.

Kuehn said he learned as a boy, while trying to guide machinery through meticulously planted rows of corn, that he did not have the patience for the agronomy side his family’s farm.

“I was all over the fields,” he recalled with a laugh.

Instead, he said, he was drawn to livestock production, leading him to study biology at Hastings College and join a group veterinary practice in Hastings. He became a professor of biology at Hastings College in 2004 and later moved his practice to his Heartwell farm, where he also raises Red Angus cattle and quarter horses.

His introduction to public service began with service on his local public power board, where spending time with accomplished businessmen and farmers taught him the significance and consequences of making policy.

“They were very supportive in mentoring me,” he said.

As Kuehn began to pay more attention to public policy at the state level, he saw a role he could play there. Not only did he see disparities between rural and urban representation, but, he said, he also saw an underrepresentation of smaller communities such as his.

Small-town Nebraska is a lifestyle he wants to help preserve, he said.

“Rural Nebraska needs a professional voice to speak for it,” Kuehn said, “especially my generation, who decided to stay or come back [to rural areas].”

Kuehn said he is impressed with how a body with a wide range of opinions on issues comes together for the good of the state. Despite his initial nervousness speaking in the chamber, Kuehn said he is getting used to his role on the floor as the “science guy.”

“I’m surprised at how quickly the senior members of the body not only welcomed the new class, but embraced us and sought our input,” he said. ■



Sen. John Kuehn teaches several courses at Hastings College, including immunology, biomechanics and kinesiology.

AGRICULTURE

New regulations for grain dealers advanced

A bill advanced from general file March 30 would regulate the financial obligations of Nebraska grain dealers.

Introduced by Wahoo Sen. Jerry Johnson, LB183 would decrease grain dealer obligations covered by the dealer's security, which is money set aside to pay growers who are not paid immediately upon delivery of their product.



Sen. Jerry Johnson

The bill would limit the dealer security to cover payment only to growers who sell directly to dealers. The bill would not prevent owners who are not growers from claiming past due payments or grain purchasers from filing claims stemming from dealers' failure to deliver.

The bill also would shorten from 30 to 15 days the time a grower may demand payment from the dealer, attempt payment negotiations with the dealer or notify the Public Service Commission of an apparent loss. Additionally, the bill would remove a requirement that all grain transportation vehicles be registered and issued grain dealer plates.

The commission's grain department is responsible for the licensing and enforcement of the Grain Dealer Act.

Johnson said the bill stems from the commission's 2014 closing of Pierce Elevator Inc., following its failure to fulfill contracts to pay farmers and deliver grain. LB183 would protect grain producers by alerting the commission earlier to potential difficulties that grain dealers may have in fulfilling their payment obligations, he said.

Cedar Rapids Sen. Kate Sullivan sup-

ported the bill. The failed elevator was in her district, she said, and its inability to pay farmers hurt many people in the area.

An Agriculture Committee amendment, adopted 26-0, clarifies that accountants or accounting firms preparing statements for grain dealership license applicants may be located in any state.

Senators advanced the bill on a 27-0 vote.

APPROPRIATIONS

Fiscal volatility report bill amended, advanced

A strategic plan requirement for the state Department of Correctional Services was amended into a bill March 30 that would require the Legislature's fiscal office to report on revenue volatility.

LB33, introduced by Omaha Sen. Heath Mello, would require the fiscal office to produce a revenue volatility report in advance of new biennial budgets. Mello said the report would assist the Legislature in preparing for potential economic downturns and strengthening state fiscal policy.



Sen. Heath Mello

Mello offered an amendment during select file debate, adopted 33-1, which he originally introduced as LB32.

The amendment would require the state Department of Correctional Services to include a strategic plan in their budget appropriation requests for the biennium ending June 30, 2019, and the biennium ending June 30, 2021. The plan would identify the main purpose of each departmental program and provide key goals that the department believes are fair measures of its progress.

Mello said recent issues with the department have shown that it should

be subject to a greater level of scrutiny in budgetary matters.

"The Legislature has passed similar strategic planning measures in recent years," Mello said, including one for the state Department of Health and Human Services.

The plan also would include benchmarks for improving performance on key goals and time frames for meeting them. The department would be required to report to the Judiciary and Appropriations committees by Sept. 15, 2017, and each year after until 2021.

Following adoption of the Mello amendment, the bill was advanced to final reading by voice vote.

BANKING, COMMERCE & INSURANCE

New insurance producer license advanced

Senators gave first-round approval April 2 to a bill that would authorize a new insurance producer license in Nebraska.

LB458, introduced by Seward Sen. Mark Kolterman, would authorize the state director of Insurance to issue a limited lines travel insurance producer license. This new license would authorize an individual or business entity to sell, solicit or negotiate travel insurance through a licensed insurer.



Sen. Mark Kolterman

Kolterman said Nebraska's licensing framework for travel insurance needs to reflect the modern travel industry, in which it is common for retailers to do business across state lines. More than 30 states have adopted the national standard reflected in the bill,

he said, and all remaining states have similar legislation pending this year.

“[LB458] just brings licensing regulation to the state of Nebraska and regulates it consistent with what’s going on in other states,” Kolterman said.

Under the bill, a travel retailer, its employees and authorized representatives could offer travel insurance as a service to customers on behalf of and under the director of a holder of a limited lines travel insurance producer license.

A limited lines travel insurance producer and those registered under the producer’s license would be exempt from examination, preclicensing education and continuing education requirements for producers.

A technical Banking, Commerce and Insurance Committee amendment was adopted 36-0 and the bill was advanced to select file on a 32-0 vote.

BUSINESS & LABOR

Pregnancy accommodations clarified, advanced

Senators amended and advanced a bill March 30 that would update the Nebraska Fair Employment Practices Act to clarify workplace protections for pregnant workers.

Omaha Sen. Heath Mello, sponsor of LB627, said that while protections for pregnant workers currently exist, those protections lack specificity and definition.

Mello offered an amendment on select file that clarified definitions and added provisions specifying employer rights and responsibilities in relation to the bill. He said the changes addressed concerns expressed by several senators in earlier debate and by business interests.

Mello said the amendment would move Nebraska to the same reasonable

accommodation standard applied to individuals with disabilities. In addition, he said, the amendment would ensure that the reasonable accommodation standard is limited to the pregnant worker and not available to anyone else who may want to claim the accommodation.

Among other changes, the amendment would prevent a covered employer from conducting a medical examination or making inquiries of a job applicant related to pregnancy or childbirth, unless such examinations or inquiries are required of all applicants and are directly job-related. The amendment was adopted on a 33-0 vote.

Columbus Sen. Paul Schumacher offered an amendment, adopted 28-0, which eliminated obsolete references in statute.

Reasonable accommodations with respect to pregnancy, childbirth or related medical conditions for workers outlined in the bill include:

- periodic rest;
- equipment for sitting;
- more frequent or longer breaks;
- assistance with manual labor;
- job restructuring;
- light duty assignments;
- modified work schedules;
- temporary transfers to less strenuous or hazardous work;
- time off to recover from childbirth; or
- break time and appropriate facilities for breast-feeding or expressing breast milk.

The bill also would prohibit discrimination against an individual who is pregnant, given birth or has a related medical condition in regard to job application procedures or the hiring, compensation, job training, advancement or discharge of employees.

Following adoption of the amendments, lawmakers advanced the bill to final reading by voice vote.

GENERAL AFFAIRS

Underage drinking safety measure approved

Senators gave final approval April 2 to a bill intended to encourage assistance for underage drinkers in need of medical help.

LB439, introduced by Lincoln Sen. Adam Morfeld, grants legal immunity against a minor in possession charge to minors seeking help for themselves or someone else in need of immediate attention due to alcohol poisoning.



Sen. Adam Morfeld

The bill applies only to minors who request assistance after such an emergency is apparent and who fully cooperate with medical assistance and law enforcement.

An individual is prohibited from bringing an action against a peace officer or the employing state agency or political subdivision based on an officer’s compliance with the bill’s provisions.

LB439 passed on a 44-0 vote.

GOVERNMENT, MILITARY & VETERANS AFFAIRS

Livestock siting permit procedures amended, advanced

The state Department of Agriculture would create a set of guidelines for county officials to use when considering livestock operation proposals under a bill advanced by senators April 1.

Introduced by Syracuse Sen. Dan Watermeier, LB106 would require the state Department of Agriculture and

a committee of experts appointed by the department director to create an assessment formula that county officials may use when considering livestock operation siting permits.



Sen. Dan Watermeier

Criteria used in the formula could include size and type of the operation, proximity to neighboring residences and public use areas, manure storage, public support of the project and odor control practices.

Provisions originally contained in the bill ultimately were removed by a later amendment brought by Watermeier and adopted 39-0. These would have created a seven-member Livestock Siting Review Board appointed by the governor to review permit applications denied by the county. The removed provisions also called for the department to review the guidelines every four years.

Watermeier said that in the last 20 years, Nebraska's livestock industry has grown at a lower rate compared to neighboring states. The bill would stimulate growth by removing barriers in the county zoning process such as uncertainty by livestock producers about conditions required for expansion, he said.

Creating a uniform set of livestock operation siting guidelines, he added, would simplify the permit process for county officials and help businesses plan their projects.

"This bill gives local officials another tool to use when making those decisions," Watermeier said.

Sen. Mike Groene of North Platte supported the bill, saying statewide siting standards would provide county zoning officials with expert guidance, especially in situations where livestock operations are near cities.

"As urban [properties] abut up against agriculture, we need something

in place," Groene said.

Cedar Rapids Sen. Kate Sullivan said she opposed the bill because it could remove local control from the citizens who are most affected by county zoning decisions. Many counties already have determined which zoning guidelines work best for them, she said.

"Those zoning boards are made of people who live and breathe in those counties," Sullivan said.

Omaha Sen. Ernie Chambers also opposed the bill, saying it would give the director of the agriculture department, who is appointed by the governor, too much power over issues that should be decided by county government.

"A change of this magnitude should not be left in the hands of an agency," Chambers said.

Hoskins Sen. Dave Bloomfield introduced a motion to recommit the bill to the Government, Military and Veterans Affairs Committee.

"I think a lot of work needs to be done on this bill yet," he said. "Nebraska has done quite well under our current rules."

Bloomfield withdrew his recommit motion upon Watermeier's introduction of the new amendment that removed the proposed siting review board. Watermeier asked senators to reject the pending committee amendment so that the new version could be considered instead. The body obliged on a 0-37 vote.

Senators advanced the bill from general file on a 34-3 vote.



Child care subsidy adjustments clear first-round

The state's child care subsidy for low-income families would be modified under a bill given first-round ap-

proval March 30.

Introduced by Omaha Sen. Tanya Cook, LB81 would align the subsidy to mirror existing Aid to Dependent Children (ADC) and Temporary Aid to Needy Families (TANF) programs.



Sen. Tanya Cook

Cook said the change would address the "cliff effect" that cause workers to decline raises because the additional income would make them ineligible for the subsidy but would not be enough to cover their child care costs.

"The purpose and intent of LB81 is to create a transitional child care program for working families who are working their way toward economic stability," Cook said.

Under the bill, if a family's income at redetermination of eligibility exceeds 140 percent of the federal poverty level (FPL), the family would continue to receive transitional child care assistance for up to 24 consecutive months or until the family income exceeds 185 percent of FPL. The transitional child care assistance would be based on a sliding scale.

Cook said approximately 2,000 families per year would be impacted by the bill, which would help to address the issue of intergenerational poverty in Nebraska.

"I think a big part of breaking that cycle is to live in a home where you see people going to work every day—putting money aside, getting ahead," she said. "And I believe that LB81 is part of the solution to make that happen."

Lincoln Sen. Kathy Campbell spoke in support of the bill, calling it an important workforce issue. The Omaha Chamber of Commerce testified in support of LB81 at the bill's public hearing, she said, which was a first during her tenure on the Health and Human Services Committee.

Sen. Jeremy Nordquist of Omaha also supported the bill, giving an example

of a single mother working a full-time job and earning \$8 per hour. A modest increase in her hourly wage would result in the cliff effect, he said, and significantly reduce the family's child care subsidy.

"She'd come out \$339 a month less in her family budget by getting a \$2 an hour raise," he said. "That is the unfortunate situation we are in with this program."

Lawmakers voted 28-0 to advance the bill to select file.

Social work student stipends advanced

Lawmakers gave first-round approval March 30 to a bill that would establish a stipend program for students who commit to work in the state's child welfare system.

LB199, introduced by Omaha Sen. Sara Howard, would authorize use of Title IV-E funds to pay for social work student stipends. The state Department of Health and Human Services would develop an application process and determine stipend amounts for eligible students in collaboration with the governing boards of colleges and universities with social work programs.



Sen. Sara Howard

A Health and Human Services Committee amendment, adopted 29-0, removed a restriction in the bill that would limit the program to public colleges and universities.

Howard said the bill would allow Nebraska to maximize federal funds in order to further professionalize the state's child welfare workforce, which would improve service provision.

"In the child welfare profession, workers who are properly educated and trained ... are most likely to stay," she said.

The bill advanced to select file on a 29-0 vote.

URBAN AFFAIRS

Dissolved HOA bill approved

Lawmakers gave final approval April 2 to a bill that provides a mechanism for a dissolved Home Owners Association (HOA) to achieve reinstatement.

LB304, introduced by Lincoln Sen. Matt Hansen, adopts the Municipal Custodianship for Dissolved Homeowners Associations Act. The bill allows a municipality to be appointed custodian over a dissolved HOA.



Sen. Matt Hansen

The bill establishes a \$100 fee for an HOA seeking reinstatement after being dissolved for more than five years and applies only to HOAs located within the city limits of a municipality.

The bill passed 45-0.

Expanded SID authority amended, advanced

Legislators advanced a bill from select file March 30 that would expand the authority of sanitary and improvement districts (SIDs).

When a property developer buys land for a housing development, an SID is created to install streets, sewers and power, as well as buy land for public parks. The SID is vested with taxing authority to finance these services.

LB324, introduced by Omaha Sen.

John McCollister, would authorize SIDs to contract for solid waste collection services. Any solid waste collection contract entered into by an SID would be cancelled



Sen. John McCollister

upon the district's annexation by a city or village. McCollister said that the bill addresses an ambiguity in state statute with regard to SID authority.

Omaha Sen. Joni Craighead introduced an amendment, adopted 28-0, which incorporated provisions of her LB131. Under the amendment, expenditures by an SID would be restricted for 90 days upon receiving notification of a city or village's intent to annex.

Craighead said the amendment would reduce the amount of risk taken on by cities proposing annexation.

Expenditures that would not be restricted include payments on construction bonds, construction fund warrants, general fund warrants and contracted labor and services, among others. Any proposed construction projects that have not been put to a public bidding process prior to receiving notice of annexation would be submitted to the city's finance director for approval during the 90-day period.

Omaha Sen. Bob Krist opposed the amendment.

"Omaha has maintained a quality relationship with those they seek to annex and have gotten through the process without having to freeze money [in the past]," he said.

Provisions of LB197 and LB420 were added to LB324 on general file.

Originally introduced by Norfolk Sen. Jim Scheer, provisions of LB197 would provide additional powers to an SID when it is too close to a municipality to incorporate, yet too far away from a municipality to be annexed. These would have to be approved by the city council or village board within whose zoning jurisdiction the SID is located.

Provisions of LB420, originally introduced by Bellevue Sen. Sue Crawford, would require a person purchasing a home located in an SID to acknowledge in writing their understanding that the property is located within an SID.

The bill was advanced to final reading by a voice vote. ■

Unicameral Information Office
Nebraska Legislature
P.O. Box 94604
Lincoln, NE 68509
03-23-05

PRESRT STD
U.S. POSTAGE PAID
LINCOLN, NE
PERMIT NO. 212

UNICAMERAL YOUTH LEGISLATURE

High school students with an interest in law, government, leadership or public speaking are encouraged to register for the 2015 Unicameral Youth Legislature, which will convene June 7-10.



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 during 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 are also available.

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 from the Legislature's Unicameral Youth Legislature page: www.NebraskaLegislature.gov/uyl.

The registration deadline is May 15.