

## Increased protections for meatpacking workers amended, advanced

Lawmakers narrowed and advanced a bill from general file May 6 that would enact health and safety protections for meatpacking workers during the ongoing coronavirus pandemic.

LB241, as introduced by Omaha Sen. Tony Vargas, would require employers to maintain 6 feet of space around and between each worker, including in common areas like lunch, break and locker rooms.

During the 2020 legislative session, Vargas attempted to incorporate the provisions of LB241 into another measure but the effort was unsuccessful.



Sen. Tony Vargas discusses LB241 with Sen. Tom Brandt May 6. Vargas said workers continue to face dangers in the workplace from the ongoing pandemic.

The rejection of that proposal, he said, resulted in increased cases, hospitalizations and deaths related to COVID-19 in meatpacking plants.

Centers for Disease Control and Prevention revises COVID-19 guidelines, the state Department of Labor could

“While we’re incredibly grateful for a vaccine, we are by no means out of the woods just yet,” Vargas said. “The situation is urgent and demands action from all of us. Actually, it demanded actions from us months ago.”

Vargas offered an amendment, adopted 31-13, that became the bill.

As amended, employers would be required to maintain 6 feet of space in common areas only. If the

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## Consumption tax proposal fails to advance

Nebraska voters could choose to replace property, income, sales, inheritance and estate taxes with a state consumption tax under a proposed constitutional amendment debated by lawmakers May 5.

If passed by the Legislature, LR11CA, sponsored by Bayard Sen. Steve Erdman, would place the question on the November 2022 general election ballot.

The amendment would prohibit the state and its political subdivisions from imposing a tax on property, income, inheritances, estates and the retail sale of services and most goods effective Jan. 1, 2024.

It would require the Legislature to enact a consumption tax that applies to the purchase of services and new goods, except for fuel, beginning on that date. The Legislature

could authorize political subdivisions to enact their own consumption taxes.

Erdman said a consumption tax would be more fair than Nebraska’s current tax system, which he called “broken.” He said the new system would generate the same amount of revenue as the current one by eliminating exemptions and taxing services, many of which currently are not taxed.

If the amendment is approved by voters, Erdman said, the Legislature then would determine the details of how to impose and collect the tax.

For example, he said, lawmakers could create a monthly allowance for legal residents in order to offset the regressive effects of the consumption tax. The Legislature also

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# Consumption tax proposal fails to advance

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should exempt business inputs and business-to-business sales from the new tax, Erdman said.

Sen. Robert Clements of Elmwood supported LR11CA, saying a consumption tax would be simple and easy to understand. He said the new system would promote individual saving and investment, reduce govern-

ment administrative costs and boost economic growth by making Nebraska more attractive to businesses.

Sen. Mike Hilgers of Lincoln also supported Erdman's proposal, saying it gives the Legislature the chance to discuss strategic changes to the state's "antiquated" tax code.

Gothenburg Sen. Matt Williams opposed the measure. He said a consumption tax would be "disastrous" for Nebraska's insurance industry, which currently charges a 1 percent tax on premiums. The amendment effectively would increase the premium tax to the suggested consumption tax rate of 10 percent, Williams said, driving insurance companies out of the state.

Also in opposition was Sen. Steve Lathrop of Omaha. He agreed with proponents that Nebraska's current tax system is flawed but said

replacing it with a consumption tax would be a "very risky proposition."

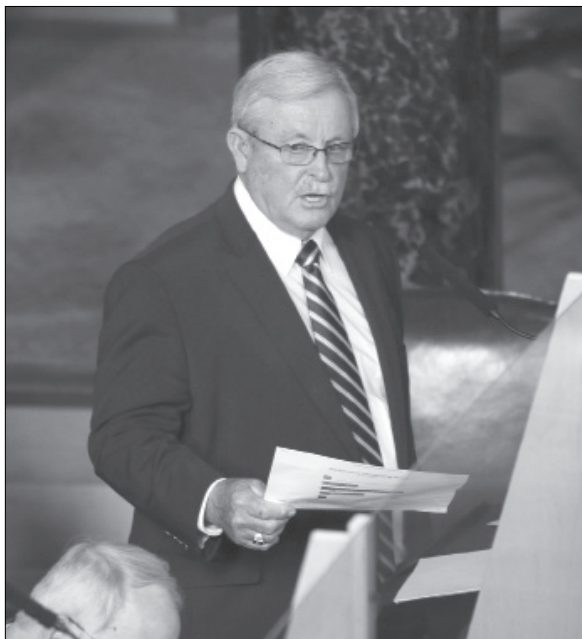
He said the Legislature cannot predict how the new tax would change taxpayer behavior, including their tax-avoidance strategies, making it difficult to ensure that it would generate enough revenue to fund government services such as public schools.

Bellevue Sen. Carol Blood also opposed LR11CA, saying the majority of Nebraskans would pay more in taxes under such a system. She said a consumption tax would apply to certain goods and services, such as groceries and medications, that are not taxed currently.

Blood introduced an amendment that would replace Erdman's proposal with a constitutional amendment requiring the state to fully fund the unfunded and underfunded mandates it has imposed on political subdivisions. She said such mandates are the root cause of high property taxes.

The amendment failed on a vote of 4-30.

LR11CA failed to advance to select file on a vote of 23-19, two votes short of the number required. ■



Sen. Steve Erdman said replacing Nebraska's current tax system with a consumption tax on services and new goods would stimulate economic activity.

## UNICAMERAL UPDATE

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adjust provisions in LB241 to mirror those recommendations.

Under the bill, employers would be required to provide all workers with free face masks and shields and replace them daily or more often as needed. Additionally, employees must have ample opportunity to wash and sanitize their hands. An employee also could request gloves as needed.

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

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

The bill also would ensure paid sick leave for an employee who tests positive that would not count against any other paid sick leave owed to the employee. Employees who may have come into direct contact with someone who tests positive must be informed by management of their potential exposure.

The protections proposed in LB241 would apply until June 30, 2022.

Grand Island Sen. Raymond Aguilar spoke in support of the amendment. He said many meatpacking employees still work in fear.

“I think it’s imperative that we hold people’s feet to the fire for [one]

year and allow these people to go to work with a clear conscience and not fear of [COVID-19],” Aguilar said.

Also speaking in support of LB241 was Plymouth Sen. Tom Brandt. He said the safety provisions proposed in the bill are for the “bad actors” who have not implemented them voluntarily.

“Ninety-five percent of the people out there are doing it right,” Brandt said. “We pass laws for that 5 percent that are not doing it right, have no intention of doing it right and want to resist until the very end.”

Peru Sen. Julie Slama opposed the bill. She said the federal Occupational Safety and Health Act preempts state-level safety regulations of the kind outlined in LB241.

“From a legal perspective, Nebraska is prohibited from asserting jurisdiction under state law [over something] that is already covered under federal law,” Slama said. “In order to implement this statute ... we’d have to apply for an OSHA waiver and get an approved OSHA action plan, which will take at least six months.”

Sen. Ben Hansen of Blair expressed concern that the bill would infringe upon business owner freedoms and



Sen. Julie Slama said the bill is unnecessary because workers now have access to vaccines and many are fully vaccinated.

could be a first step toward government overreach into other segments of the state’s economy.

LB241 also would require meatpacking operation employers to document and track all COVID-19-related deaths and positive cases — broken down by race and ethnicity — and report such results monthly to the state Department of Health and Human Services and DOL, as well as to the Legislature.

The DOL commissioner would be authorized to conduct unannounced workplace inspections, including analyzing employer records and making remedial recommendations. The commissioner could issue a citation if an employer is found to be in violation of the bill’s provisions.

Following the adoption of the Vargas amendment, senators voted 27-16 to advance LB241 to select file. ■



# APPROPRIATIONS

## Matching grant program for nonprofit capital construction advanced

Lawmakers gave first-round approval May 4 to a bill intended to help jump-start certain construction projects delayed by the COVID-19 pandemic.

LB566, sponsored by Omaha Sen. Mike McDonnell, would create the Shovel-Ready Capital Recovery and Investment Fund. As introduced, the bill would appropriate \$25 million in general funds and 10 percent of any Coronavirus Relief Funds received by the state Department of Economic Development to the fund.



Sen. Mike McDonnell

An Appropriations Committee amendment, adopted 36-5, would strike the Coronavirus Relief Fund provision and instead would allocate \$75 million from the Coronavirus State Fiscal Recovery Fund pursuant to the American Rescue Plan Act of 2021, if allowable. It would maintain the \$25 million general fund appropriation.

The amendment also would allow the fund to receive transfers authorized by the Legislature, gifts, grants or bequests from other sources.

McDonnell said the pandemic had a significant impact on the nonprofit industry when planned projects were forced to shut down last year. Many organizations had begun fundraising campaigns to complete capital construction projects, he said, which were interrupted when donor dollars were diverted to more immediate, pressing community needs.

“Many of these organizations are deciding whether or not to cancel or postpone their planned expansion,” McDonnell said. “This bill is [designed] to prevent that decision from having to be made by injecting immediate support to many of these projects, provided that they had already begun planning prior to COVID-19.”

He added that nonprofits employ approximately 90,000 people in Nebraska and pay more than \$4 billion in wages.

The grant application period would begin July 1, 2021, and end July 15, 2021, and be administered by the state Department of Economic Development. Grants would require a one-to-one match from private sources and be capped as follows:

- \$1 million for projects costing less than \$5 million;
- \$5 million for projects between \$5 million and \$25 million;
- \$10 million for projects between \$25 million and \$50 million; and
- \$15 million for projects greater than \$50 million.

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

McDonnell acknowledged the brief application window, saying it reflects the intent of the bill to target projects that are “shovel ready.”

He offered an amendment, adopted 29-9, that would add eligibility for nonprofit entities related to arts, culture or the humanities or that own a sports complex. A qualifying sports complex would be one that primarily is used for competitive sports and contains at least twelve separate sports venues.

Several senators expressed concerns about the use of general funds for nonprofit projects.

Sen. Curt Friesen of Henderson

said tax dollars should be used to grow the state and attract workers rather than funding entertainment projects that already were underway and would happen regardless of LB566.

“We’re picking winners and losers by how we write the bills,” he said. “I think donations to these charitable organizations are going to be just fine.”

Omaha Sen. Megan Hunt also raised concerns, saying she has a “general philosophical objection” to diverting taxpayer dollars to nonprofits to provide necessary services. She said there is no guarantee that nonprofits have the same transparency and inclusion requirements as government agencies.

“If we’re using taxpayer dollars to provide a service or a program, that service or program needs to be available to everybody,” Hunt said, adding that she would work to add a nondiscrimination requirement to the bill on the next round of debate.

Senators advanced LB566 to select file on a 26-11 vote. Twenty-five votes were needed.

# EDUCATION

## School finance review commission clears first round

A commission would conduct an in-depth review of Nebraska public elementary and secondary school financing under a bill advanced from general file May 6.

LB132, as introduced by Sen. Wendy DeBoer of Bennington,



Sen. Wendy DeBoer

would create a 16-member school finance review

commission within the state Department of Education.

The commission would examine methods of financing public schools that would provide equitable educational opportunities across the state and offer alternatives to a heavy reliance on property taxes.

DeBoer said the Legislature has not been able to agree on how to solve that central problem. A balanced commission that includes all stakeholders could help lawmakers break the impasse, she said.

“Getting more information, working towards consensus with more stakeholders in the room at the same time, looking for new solutions – how can that hurt?” DeBoer said.

Among other subjects, the commission would examine options for funding public prekindergarten services, college-readiness and career-readiness programs and the costs and resources necessary to meet the needs of students in poverty and those with limited English proficiency.

The commission would complete a preliminary report by November 2022 and a final report with recommendations on maintaining adequate and equitable public school funding by Dec. 1, 2022.

After completing its report, the commission would review, make recommendations on and report on progress toward educational goals established by the Legislature and the department. It also would review implementation of the state’s school funding formula and the commission’s recommendations.

Finally, beginning in 2024 and ending in 2030, the commission would make biennial reports to the governor, State Board of Education and the Legislature on the adequacy of school funding sources.

An Education Committee amend-

ment would change the preliminary report’s completion date to November 2021. The final report would be submitted by Dec. 1, 2021.

The amendment also would add five members to the commission, including three senators. DeBoer introduced an amendment to the committee amendment, adopted 28-10, that would add a fourth.

Sen. Lynne Walz of Fremont, chairperson of the Education Committee, supported the bill. She said lawmakers have tried many times to reform school finance but are divided on how to solve the problem.

“We point fingers, we degrade, we fight with each other, and we do not get anywhere because we lack trust,” she said.

Walz said she did not see the harm in assembling a diverse, objective group to study the issue and recommend solutions.

Omaha Sen. Tony Vargas also supported LB132, saying it would give the Legislature up-to-date data on school finance that it could use to make policy decisions. Whatever the commission recommends, he said, the Legislature would decide which changes, if any, to implement.

Sen. Curt Friesen of Henderson also supported the proposal but said he was skeptical that it would succeed. Several attempts to reduce the state’s reliance on property taxes to fund public schools and more fairly distribute state aid to rural districts have failed in recent years, he said.

Sen. Joni Albrecht of Thurston opposed the bill, saying school finance reform could be the subject of an interim study.

“We should be able to find the answers without putting commissions together,” she said.

North Platte Sen. Mike Groene said the commission’s membership, as

proposed in the original bill, would be weighted heavily toward the education community. That likely would result in a recommendation to increase school funding without also limiting the amount of property taxes schools could collect, he said.

“If you think you’re going to get property tax relief out of this or fair funding or accountability on the spending, guess again,” Groene said.

Sen. Lou Ann Linehan of Elkhorn said she was concerned that education groups would influence commission members, many of whom might lack detailed knowledge of the state’s school funding formula.

Linehan said a commission that includes members of the Revenue, Education and Appropriations committees would have the knowledge and experience necessary to create a proposal that could garner enough support to pass.

“I don’t think we need to go outside the chamber to address this issue,” she said. “I think it’s our job.”

DeBoer said she was open to including only senators on the commission and would work with Linehan and others to amend the bill on the second round of debate.

In expectation of upcoming changes, Walz encouraged lawmakers to vote against the committee amendment. It was not adopted on a vote of 1-35.

Senators then voted 37-5 to advance LB132 to select file.

## EXECUTIVE BOARD

### Resolution on alleged federal government overreach discussed

The Executive Board heard testimony May 6 on a proposed resolution

that would “reaffirm” state senators’ oath of office and outline legislative positions on a list of perceived threats posed to the U.S. Constitution by the federal government.

Introduced by North Platte Sen. Mike Groene, the proposal would request cooperation from a number of state and federal office holders in “defending” the U.S. Constitution



Sen. Mike Groene

from what it characterizes as federal overreach into, among other matters, religious liberty, the right to bear arms, individual property rights and local control of elections.

Groene said the proposal would affirm that policy decisions should be made at the state level rather than the national level whenever possible. Several states are considering similar resolutions, he said, and Nebraskans want reassurance that senators are protecting their rights.

“[This is] a document to memorialize to the federal government our grievances of perceived and known federal encroachments on sovereign rights reserved to the 50 individual states ... and against assault by the federal government on the individual liberties of the people of Nebraska,” he said.

Jennifer Hicks testified in support of the proposal, saying it’s “imperative” that Nebraska senators go on the record in defense of the U.S. Constitution. She said President Biden’s recent assertion that gun ownership is a public health crisis is an example of a threat to liberty.

“LR107 is necessary as a response to the clearly stated threats that have been posed to our Second Amendment rights,” Hicks said.

Also in support was Kathleen Kauth of Omaha. She said LR107

would help ensure the state’s ability to control its own elections and bolster religious liberty.

“This resolution is essentially a statement on where Nebraskans stand on the insidious erosion of our constitution by the Left,” Kauth said.

Ben Stangl of Fort Calhoun also testified in favor of the resolution, which he said would demonstrate “unified support” for the U.S. Constitution by Nebraska residents. Legitimate power at the federal level is derived only from consent of the governed, he said.

Dr. Michelle Walsh, a Lincoln pediatrician testifying on behalf of the Nebraska Medical Association, expressed concern that the proposal could encourage vaccine hesitation in the state. The resolution contains a section stating that lawmakers “explicitly reject the idea of vaccine passports.”

Walsh said the resolution could give the impression that the Legislature does not support existing school vaccine requirements in state law.

“It would be unfortunate if the Legislature decides to further politicize public health,” she said.

Mar Lee of OutNebraska also testified in opposition, saying that a section of the resolution seeking to protect “traditional religious beliefs” regarding the “sanctity of life and sexual mores” is especially problematic.

“Nebraska, like the rest of the United States, is a pluralistic state and not a theocracy,” Lee said. “There is not one religious tradition, but many – each with its own set of values. Whose traditional values do you purport to uphold?”

The committee took no immediate action on the proposal.

## JUDICIARY

### DNA collection for felony charges advanced after cloture

Forensic evidence would be collected upon arrest for felony charges under a bill advanced from general file May 7.

LB496, sponsored by Omaha Sen. Robert Hilkemann, would require an adult charged with a felony crime of violence or burglary to provide a DNA sample to law enforcement at the time of booking or to the court during a first appearance.



Sen. Robert Hilkemann

The state already collects DNA from each individual convicted of a felony crime, Hilkemann said, and uploads those samples to the national forensic DNA database known as the Combined DNA Index System.

“This is a bill that, I believe, will help Nebraska be smart on crime by using DNA to exonerate the innocent and identify individuals responsible for unsolved crimes,” he said.

A Judiciary Committee amendment would replace the bill.

Under the amendment, a DNA sample collected under the provisions of LB496 would not be tested or placed into the state’s database until a judicial determination of probable cause has been made or a hearing to determine probable cause has been waived.

If the charge against an individual is dismissed, the DNA sample would be destroyed immediately and notice would be sent to the individual.

Omaha Sen. Steve Lathrop, chairperson of the committee, said the amendment would align the provi-

sions of LB496 with findings in the U.S Supreme Court decision *Maryland v. King*. The committee amendment is necessary, he said, to prevent the bill from violating Fourth Amendment protections against unlawful search and seizure.

Norfolk Sen. Michael Flood called the bill the natural next step in forensic data collection.

"This is the new fingerprint," Flood said. "It's going to solve crimes and it's going to hold people accountable."

Sen. Patty Pansing Brooks of Lincoln offered an amendment, adopted 32-0, to clarify that the provisions of LB496 would not apply to juveniles.

Pansing Brooks said she opposed the bill because it is a "perversion" of the ideal that an individual is innocent until proven guilty.

"Even if a person is arrested or charged with a crime, they are still entitled to due process," she said. "Gathering this DNA because a prosecutor has decided to charge somebody with something ... our system does not work that way."

Also speaking in opposition to the bill was Omaha Sen. John Cavanaugh. For every story of a cold case solved by DNA, he said, countless other innocent people would be caught up in the system.

"We are going to undermine people's individual rights to privacy by letting the ends justify the means," Cavanaugh said.

Bellevue Sen. Carol Blood expressed concern that crime labs already inundated with hundreds of untested rape kits would be unable to process the number of new DNA samples created by LB496.

"How are we expecting these labs to manage the increased influx of samples from a new source of DNA – pre-conviction DNA that we think violates the Fourth Amendment –

how are they going to handle this extra workload when they can't handle what they have now?" she said.

Omaha Sen. Justin Wayne offered an amendment to incorporate provisions of his LB28, which would allow an individual to file a motion for a new trial when new evidence or testimony becomes available from a witness who previously refused to testify or provide evidence due to a constitutional privilege.

Wayne cited the case of Earnest Jackson, an Omaha man currently incarcerated for a crime for which another person admitted guilt after Jackson was sentenced.

"We understand that sometimes our justice system gets it wrong and we, as a state and [as] lawmakers, have a chance to get it right," he said. "Today, we have a chance to get it right."

Omaha Sen. Terrell McKinney said he worried that the provisions outlined in LB496 would be abused by law enforcement, but that he potentially could support the bill if the Wayne amendment were adopted.

"If there is something that a judge could see that could free an individual, that judge should be able to see that information," he said.

Sen. Suzanne Geist of Lincoln expressed concern about the Wayne amendment. She said the provisions could incentivize individuals to commit perjury in order to help a codefendant at trial.

The Wayne amendment failed on a 24-9 vote. Twenty-five votes were needed.

Wayne then filed and later withdrew a motion to bracket LB496 until May 28, which effectively would end debate on the measure for this session.



Sen. Justin Wayne

He said that under the bill, a DNA sample would be destroyed only when a charge is dismissed or a person is acquitted – not if the individual accepts a plea. In that circumstance, he said, the original charge is amended, not dismissed.

"The problem is that 90 percent of the cases in the court system plead and they plead to a different charge or a lower charge," Wayne said. "Even if you plead, you're stuck with your DNA being housed forever."

Sen. John Cavanaugh of Omaha offered an amendment, adopted 31-0, which incorporated provisions of his LB316. These would clarify the date from which the one-



Sen. John Cavanaugh

year limitation for filing a motion for post-conviction relief would run and require the prisoner to file notice with the district court.

Omaha Sen. Megan Hunt offered a series of amendments in an effort to extend debate on LB496, which she said would encourage government overreach into the lives of innocent people. Hunt said Nebraska already has a process in place for innocent people who are wrongfully accused of a crime to seek out DNA collection.

"Proponents say that things like LB496 will exonerate innocent people, but this is not an exoneration bill and it has nothing to do with innocence," she said.

After approximately eight hours of discussion, Hilkemann offered a motion to invoke cloture, which ends debate and forces a vote on the bill and any pending amendments. Lawmakers voted 33-8 to invoke cloture. Thirty-three votes were needed.

Following the successful cloture motion, senators voted 38-3 to adopt



the pending Judiciary Committee amendment. Lawmakers then voted 30-11 to advance LB496 to select file.

## NEBRASKA RETIREMENT SYSTEMS

### OPS retirement system management plan clears first round

The state would take over management duties for the Omaha school retirement plan under a bill advanced from general file May 6.

Senators passed a bill in 2019 to require an examination of the possible transfer of management responsibilities from the Omaha School Employees Retirement System board of trustees to the Public Employees Retirement Board, which manages the rest of the state's plans through the Nebraska Public Employees Retirement Systems.

Seward Sen. Mark Kolterman, chairperson of the Retirement Systems Committee and sponsor of LB147, said his bill was the result of that study. As introduced, the proposal would transfer duties and responsibilities for management of the OPS plan to the PERB effective Sept. 1, 2023.

A committee amendment would delay the transfer until Sept. 1, 2024, to allow time for completion of compliance audits. The amendment also would require completion of a transfer of management agreement among the school district, board of education, board of trustees and the PERB by Dec. 31, 2021.



Sen. Mark Kolterman

Kolterman said the transfer would allow OPS to focus on its primary mission of educating students instead of being consumed by managing a troubled retirement plan. The amendment specifies that the school district remains solely liable for the retirement system's funding obligations. OPS also would cover all costs for the management transfer.

Kolterman said the amendment explicitly would ensure that the state is not liable for the plan's nearly \$1 billion unfunded liability. Despite that, he said, Gov. Pete Ricketts has indicated some concern that the bill might be a first step toward someday merging the OPS plan with the state's system.

"I don't see this as a slippery slope," Kolterman said. "To me, it looks more like an uphill obstacle course with a lot of side speed bumps. I don't see how on earth we would ever agree to take on a billion dollars' worth of liability."

Omaha Sen. Brett Lindstrom supported the bill and the amendment. Professional management by the state would put the OPS plan in a better financial position going forward, he said, echoing the belief that the bill would not lead to a merger.

"The discussion of taking over the unfunded liability has never come up," Lindstrom said. "This is only to deal with the integrity of the plan."

But Sen. Mike Groene of North Platte expressed concern that the bill would provide another "link" to bind the OPS plan with the state plan. If financial markets drop again, he said, the state would be more likely to step in if it is managing the plan already.

"Retirement plans never go broke," he said. "The government always bails them out."

Lawmakers voted 32-10 to adopt the committee amendment, which included components of three additional

bills, all sponsored by Kolterman.

Provisions of LB145 would require completion of the compliance audit by Nov. 15, 2021, and delay the first annual audit conducted by the state auditor by one year to July 1, 2022.

Provisions of LB582 would terminate the board of trustees' authority to administer the plan on July 1, 2021. On that date, new members of the board of trustees, appointed by the board of education, would begin serving their terms. This board of trustees would facilitate the transfer of management to the PERB on Sept. 1, 2023.

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

The definition of termination of employment would codify current district guidelines regarding re-employment during the 180-day period that allow voluntary unpaid bona fide service without limitation. Temporary service would be allowed after a 30-day waiting period following termination if it is to accomplish a specific purpose or task, not to exceed one year.

Substitute service would be allowed on an intermittent basis, defined as no more than eight service days during a calendar month.

Senators voted 31-5 to advance LB147 to select file.

## REVENUE

### Additional state aid for certain school districts fails to advance

School districts that rely heavily on property taxes would receive additional state aid under a bill debated



by lawmakers May 4.

Under LB454, as introduced by Sen. Curt Friesen of Henderson, a school district would be eligible for a property tax stabilization payment if its property tax requirement — defined as the difference between the district's needs and the amount of state aid it receives — exceeds 70 percent of its needs for the school year.

The state Department of Education would determine the payment amounts beginning with the 2021-22 school fiscal year. Payments would be distributed in 10 roughly equal amounts beginning in September and ending in June of each school fiscal year.

Friesen said approximately 60 percent of Nebraska school districts receive 10 percent or less of their needs in state aid, forcing them to rely on property taxes to fund their operations. Although his proposal would not reduce property taxes, he said, it would address this funding disparity.

A Revenue Committee amendment, adopted 28-6, would replace the bill. Under the amendment, a school district's property tax requirement would have to exceed a smaller percentage of its needs each year in order for the district to qualify for a stabilization payment, from 70 percent in school fiscal year 2021-22 to 55 percent for school fiscal year 2024-25 and after.

Unlike the original bill, the amendment would not reduce the valuation of agricultural and horticultural land for the purposes of school district taxation.

Friesen said the amendment would direct approximately \$95 million in additional state aid to 189 school



Sen. Curt Friesen

districts in its first two years of implementation. The amount of aid would grow in later years as more districts qualify for the payments, he said.

Albion Sen. Tom Briese supported the bill, saying it would address an unfair distribution of state aid. He said the Omaha Public Schools district receives approximately \$5,500 in state aid per student compared to \$85 per student at a school in his district.

Briese suggested amending Friesen's proposal to require districts to reduce their property tax asking by the same amount as their stabilization payment. He said this would ensure that the additional state aid results in property tax relief for residents in that district.

Sen. Lou Ann Linehan of Elkhorn opposed LB454. She said school districts have rejected past proposals that would have tied additional state aid to a cap on their property taxing authority.

Rather than send additional state aid to schools in an effort to reduce property taxes, Linehan said, senators instead should focus on comprehensive school funding reform.

"We do need to fix the school formula but not by little nicks and picks," she said. "We need to do the whole thing, and the state needs to step up and do more of the job and take it off the backs of the property tax payer[s]."

Also in opposition was Bellevue Sen. Carol Blood. She said she had "grave concerns" about LB454 because it does not identify a source of state revenue for the proposed stabilization payments.

Sen. Justin Wayne of Omaha introduced an amendment that would end the state's school funding system on July 1, 2022. He said this would create a deadline by which the Legislature must create a new system. The amendment failed on a vote of 21-14.

LB454 failed to advance to select file on a vote of 23-12. Twenty-five votes were needed.

## TRANSPORTATION & TELECOMMUNICATIONS

### Water safety license plate advanced

A new specialty license plate that seeks to educate the public about water safety received first-round approval from lawmakers May 4.

LB166, sponsored by Lincoln Sen. Suzanne Geist, would authorize Josh the Otter-Be Safe Around Water license plates, available as of Jan. 1, 2022.



Sen. Suzanne Geist

Blake and Kathy Collingsworth of Lincoln created the Josh the Otter character and a memorial foundation after their son, Joshua, succumbed to his injuries following an accidental drowning. Geist said she introduced the bill on their behalf because they have turned a tragedy into a positive force in the community.

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

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

“This grant program would hopefully help to lower the number of childhood drownings in Nebraska,” Geist said.

Following the 39-0 adoption of a technical Transportation and Telecommunications Committee amendment, senators voted 39-0 to advance LB166 to select file.

### Proposed history license plate clears first round

Lawmakers advanced a bill from general file May 4 that would create a new specialty license plate celebrating Nebraska history.

Under LB317, sponsored by Omaha Sen. John Cavanaugh, Nebraska History licenses plates would be available in alphanumeric or personalized versions beginning Jan. 1, 2023. The plate would be designed in consultation with History Nebraska – formally known as the Nebraska Historical Society – and reflect the importance of preserving the state’s shared history.

The specialty license plate commemorating Nebraska’s sesquicentennial will expire in 2022, Cavanaugh said, removing a small, but reliable revenue stream for History Nebraska.

“This bill will allow the foundation to continue to receive that funding from a license plate ... while allowing Nebraska residents to celebrate Nebraska history with a license plate,” he said.

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

credited to the Support Nebraska History Cash Fund.

Following the 38-0 adoption of a technical Transportation and Telecommunications Committee amendment, senators voted 37-0 to advance LB317 to select file.

## URBAN AFFAIRS

### Urban affairs omnibus bill advances

A bill intended to resolve a technical conflict in state law was amended to become an omnibus municipal governance measure and advanced from general file May 5.

LB131, introduced by Sen. Megan Hunt of Omaha, would add “or as otherwise provided by law” to the list of reasons a municipality may waive the requirement to read an ordinance on three different days before its adoption.

“It is a problem that we have to correct because currently our statutes are out of date and cities and villages can possibly be in violation of the law without knowing it,” Hunt said.

An Urban Affairs Committee amendment, adopted 32-6, added provisions of several other bills, including LB549, originally introduced by Omaha Sen. Justin Wayne.

The provisions would allow municipalities that operate a natural gas plant or natural gas system to apply to

the state for emergency grant funding to cover up to 90 percent of extraordinary costs associated with an extreme weather event. Grant funds would be provided by a one-time, \$10 million general fund transfer.

Wayne said the grants would help several small Nebraska communities that were hard hit by a surge in natural gas costs during a period of extreme cold weather in February.

Sen. Curt Friesen of Henderson offered an amendment to remove those provisions. He said cities have profited in the past from operating their own natural gas service and should be responsible to cover losses.

“If these communities want to run their own system, they have to take these risks that come with the territory,” Friesen said. “I feel like we’re bailing them out.”

Bayard Sen. Steve Erdman supported the amendment, saying the high costs associated with February’s polar vortex were due to mismanagement.

“We’re talking about a private business that made a poor decision not to plan for a calamity,” Erdman said.

Thurston Sen. Joni Albrecht opposed Friesen’s amendment, saying that cities didn’t know the cost of providing natural gas until after February’s weather event ended.

“Are we willing to allow them to bankrupt themselves?” she said.

Wayne also opposed the amendment. Smaller Nebraska cities “did everything right,” he said, but were not allowed to buy extra natural gas reserves in advance and had no choice but to purchase extremely expensive natural gas from the marketplace.

The Friesen amendment failed on a vote of 8-29.

Wayne then offered an amendment, adopted 30-0, which would lower the overall grant funding cap to \$5 million.



Sen. John Cavanaugh



Sen. Megan Hunt



Sen. Justin Wayne

Also included in the committee amendment were provisions of:

- LB99, introduced by Fremont Sen. Lynne Walz, which would exempt areas designated as extremely blighted from the maximum percentage of a city or village that may be designated blighted under the Community Development Law;
- LB161, introduced by the committee, which would make several technical changes to the Building Construction Act;
- LB162, also introduced by the committee, which would establish uniform procedures to detach territory from a municipality's corporate limits;
- LB218, introduced by Wayne, which would adopt the 2018 Uniform Plumbing Code as the state's default code; and
- LB556, introduced by Lincoln Sen. Matt Hansen, which would clarify that municipalities may add requirements to a redevelopment contract to comply with their comprehensive redevelopment plan, affordable housing action plan or other goals established by the municipality.

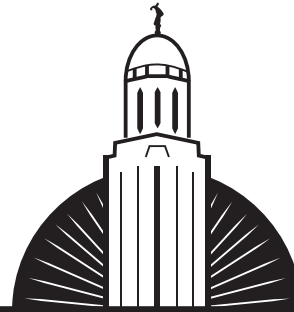


Sen. Lynne Walz



Sen. Matt Hansen

Lawmakers voted 28-10 to advance LB131 to select file. ■



★ UNICAMERAL YOUTH ★  
LEGISLATURE



## Unicameral Youth Legislature registration open

High school students with an interest in law, government, leadership or public speaking are encouraged to register for the 2021 Unicameral Youth Legislature, which will convene June 13-16.

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.

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: [NebraskaLegislature.gov/uyl](http://NebraskaLegislature.gov/uyl).

The registration deadline is May 28.

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