

## Reworked postcard hearing procedures, other tax measures advance



Sen. R. Brad von Gillern said LB803 would “raise the bar” for political subdivisions seeking to increase property taxes.

Lawmakers gave first-round approval March 30 to a package of tax-related bills that includes a measure intended to ensure earlier public engagement in local taxing and spending decisions.

The Revenue Committee introduced LB803 as a shell bill. A committee amendment, adopted 37-0, replaced it with provisions of four other measures considered by the committee this session, including LB575, sponsored by Syracuse Sen. Bob Hallstrom.

The Property Tax Request Act, passed by the Legislature in 2021, requires counties, cities, school districts and certain other political subdivisions to hold a



Sen. Bob Hallstrom

public hearing and pass a resolution or ordinance to increase their property tax request from one year to the next.

Under the amended provisions of LB575, such a measure would have to pass by a two-thirds majority vote.

Elkhorn Sen. R. Brad von Gillern introduced an amendment, adopted 39-0, under which a successful override measure would require a four-sevenths majority vote for political subdivisions with seven-member boards.

The act also requires counties, cities and school districts to participate in a joint public hearing if they seek to increase their property tax request by more than an allowable growth percentage. Hallstrom’s measure would require those political subdivisions to participate regardless of whether they seek to increase their property tax request.

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## Permanent expansion of child care assistance clears first round

Lawmakers advanced a bill from general file March 30 that would eliminate a scheduled sunset date on expanded eligibility for the state’s Child Care Subsidy program.

The program provides a subsidy directly to providers to cover a portion of child care expenses for low-income Nebraska families. Income eligibility guidelines were expanded in 2021 from 130% of the federal poverty level to 185%. That expansion is scheduled to expire Oct. 1.

LB304, sponsored by Sen. Wendy DeBoer of Bennington, would remove the sunset date and instead make the current income eligibility level permanent. The bill became part of the Appropriations Committee budget package earlier this session, but was pulled from that proposal over concerns that substantive changes to state policy should not be considered within the budgeting process.

DeBoer said that if expanded eligibility ends this fall, only two other states would have stricter subsidy eligibility requirements. Nebraska has one of the highest workforce participation rates in the country, she said, and without the subsidy, many families could not afford to remain in the workforce.

“If you want Nebraska to succeed, you need a strong workforce,” DeBoer said. “If you want a strong workforce, you need a strong child care network,

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## Reworked postcard hearing procedures, other tax measures advance

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The hearing would focus on each political subdivision's budget and property tax request, as well as factors that might affect the current year's budget.

Joint public hearings currently must be held between Sept. 14 and 24. Under Hallstrom's measure, hearings would be held on or after July 1 and prior to July 15 and before any of the participating political subdivisions files its adopted budget statement.

Hallstrom said public officials and taxpayers are frustrated with the current process, which leaves little time for political subdivisions to adjust their budgets in response to public concerns. Holding the hearings earlier in the year would allow for more "meaningful" public engagement, he said.

Currently, counties are required to send postcards notifying property owners of a joint public hearing. Under the amended provisions of LB575, the state Department of Revenue instead would send property owners a postcard that includes a website where a county would post the time and place of the joint public hearing as well as the first county, city and school district budget hearings.

Hallstrom's measure also would update a provision requiring counties to notify property owners of valuation changes. The updated notice would include certain tax information similar to what is included on the current postcard.

Hallstrom introduced an amendment, adopted 32-0, under which the provisions of LB575 would go into effect Jan. 1, 2027, rather than three calendar months after the Legislature adjourns. He said the change is intended to give political subdivisions enough time to implement the new hearing process.

Among other technical changes, Hallstrom said, the amendment would exclude educational service units from the The Property Tax Request Act's requirements.

Also included in the committee amendment are the provisions of LB938, also sponsored by Hallstrom. They would allow Nebraskans to receive an income tax deduction for contributions to accounts that could be used for the down payment and closing costs related to a beneficiary's purchase or construction of a primary

residence in Nebraska.

A beneficiary would have to be a first-time home buyer — an individual who has never owned or purchased a single-family, owner-occupied home.

Contributions would be limited to \$5,000 per tax year for individuals and \$10,000 per tax year for those who file a joint return. An account holder's federal adjusted gross income would be reduced by the amount contributed as well as any interest and other income earned.

Total contributions per account would be capped at \$25,000 for individuals and \$50,000 for joint filers.

The provisions of LB1116, introduced by Sen. Teresa Ibach of Sumner, would update the Sports Arena Facility Financing Assistance Act. Under her proposal, state assistance could be used for a sports complex located in a second class city or village for up to 10 years rather than five.

Currently, a five-member board



Sen. Teresa Ibach

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## UNICAMERAL UPDATE

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## Permanent expansion of child care assistance clears first round

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and that means you're going to need to help some of these families pay for child care."

A Health and Human Services Committee amendment, adopted 42-5, provides intent language that the Health Care Cash Fund, rather than state general funds, would be used to pay the state's cost for the income eligibility change in the bill.

Lincoln Sen. George Dungan supported the proposal, relaying his experience of trying to find child care for his son, born three weeks ago. After finding a program they liked, Dungan said he and his wife were unable to afford the \$1,300 a month it would cost for newborn care. They will instead take turns staying at home while looking for alternatives, he said.

"We are so lucky that that is an option," Dungan said. "There are so

many people in the state of Nebraska who don't have that option."

Also in support was Sen. Bob Hallstrom of Syracuse. If eligibility reverts to 130% of the federal poverty level, he said, many Nebraskans will lose their subsidies and access to the child care their families need. As a result, he said, many parents would be forced out of the workforce.

"LB304 is critical because it keeps child care assistance eligibility at current levels, ensuring working families can remain employed and children can access stable, quality care," Hallstrom said. "Without it, eligibility will drop significantly, cutting off thousands of Nebraska families who are already working and contributing to our communities."

Opposing the measure was Omaha Sen. Kathleen Kauth, who said af-

fordable child care should be offered by businesses to attract employees. Using taxpayer dollars to provide a subsidy to low-income families fosters "dependence," she said, and lawmakers instead should focus on reducing regulations to encourage growth in the child care sector.

"We're seeing a very slow march of government intervention in business decisions and in business perks," Kauth said. "The business community of course loves

this, because if they can convince the state to pay for an employee perk, they don't have to."

She offered an amendment that instead would extend the sunset date to Oct. 1, 2029, and set income eligibility at 160% of the federal poverty level. She said sunsets are important when using tax dollars in order to ensure that programs are evaluated for effectiveness and efficiency on an ongoing basis.

Sen. Ben Hansen of Blair supported the Kauth amendment. The 160% threshold "feels like a good compromise," he said, adding that more government involvement in child care reduces the involvement of parents, churches and communities.

"The more government takes care of our children, the less likely the parent will," Hansen said.

DeBoer opposed the amendment. She agreed that more can be done to encourage and support child care options in Nebraska, but said ensuring access to the existing child care subsidy is key until those other solutions are found.

The Kauth amendment failed on a vote of 18-24. Twenty-five votes were needed. Lawmakers then advanced LB304 to select file on a vote of 39-8. ■



Sen. Wendy DeBoer said the high cost of child care is a disincentive to entering the state's workforce for many low-income parents.



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that includes the governor and state treasurer is required to hold a public hearing on an application for assistance after reviewing it. Ibach said her proposal would make the current process more efficient by requiring the board to hold a hearing within 30 days after completing a review.

The proposal also would require the board to approve or deny an application within 30 days after a hearing.

Finally, the measure would eliminate a requirement that the governor be among the majority of members voting on board actions. Under the provisions of LB1116, all board actions would require a majority vote of members present at the board meeting.

The provisions of LB1154, sponsored by Ralston Sen. Merv Riepe, would update the Property Tax Growth Limitation Act.

Under the act, passed by the



Sen. Merv Riepe

Legislature in 2024, a county's, city's or village's property tax request may not exceed its property tax request authority.

That figure is calculated using the preliminary property tax request authority, which is the amount of property taxes requested and approved by the political subdivision in the prior fiscal year, minus the sum of certain exceptions used.

Under Riepe's proposal, one of those factors — the amount of a political subdivision's unused property tax request authority — would no longer be excluded from the preliminary property tax request authority. He said the change would remove an incentive for political subdivisions to use their full taxing authority each year rather than carry it forward to future years.

Sen. Bob Andersen of Omaha introduced an amendment, adopted 39-0, to include provisions of his LB882. They would repeal homestead exemption reapplication requirements for veterans with a 100% service-con-

nected disability rating and their surviving spouses who are unmarried or remarry after turning 57.

Andersen said the measure also would eliminate reapplication requirements for surviving spouses of service members who died on active duty or because of a service-connected disability.

Under the amendment, veterans who qualify for a 100% service-connected temporary disability, as well as their surviving spouses, would have to reapply for a homestead exemption every five years rather than annually.

Finally, Andersen's amendment would require surviving spouses who have been granted or applied for an exemption and who remarry before turning 57 to notify the county assessor within 30 days after the remarriage.

After adoption of the amendments, senators advanced LB803 to select file on a vote of 42-0. ■



Sen. Bob Andersen

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## AGRICULTURE

### Brand Committee fee, membership updates advanced

A proposal to raise Nebraska Brand Committee inspection fees and update committee operations advanced from first-round debate April 1.

LB1187, as introduced by Niobrara Sen. Barry DeKay, would raise the maximum per-head inspection fee from \$1.10 to \$1.50 and replace mileage-based travel charges with a flat surcharge of up to \$30 per inspection stop.



Sen. Barry DeKay

DeKay said higher fees are needed to keep the state's brand system stable and functioning. Rising costs and declining inspection numbers have reduced revenue, he said, making it harder to maintain the commission's operations.

An Agriculture Committee amendment would replace the bill with a modified version containing the fee increases and broader reforms to the Nebraska Brand Committee's structure and operations.

Sen. Mike Jacobson of North Platte offered what he characterized as a "compromise amendment" to narrow and refine several provisions of the committee proposal. He said the amendment would reduce divisions within the cattle industry while preserving the brand system's integrity and making its application more consistent.

Jacobson said the goal of his proposal is "ensuring Nebraska's brand system remains strong, credible and trusted."

Under Jacobson amendment, the

terms of the five current Nebraska Brand Committee members would end Aug. 27. Beginning Aug. 28, the committee would be replaced by a seven-member group made up of five cattle producers — one from each newly created geographic district — along with an owner or operator of a cattle feeding operation and a livestock auction market owner.

As under current law, the governor would appoint all members, and current members could be reappointed if they meet the new requirements.

The amendment would limit audits of registered feedlots to no more than twice a year, reviewing 10% of records unless additional audits are approved for reasonable cause. It also would change how feedlot fees are calculated, replacing the flat structure of \$1,000 for the first 1,000 head plus \$250 for each additional 250 head with a formula based on inspection fees.

Feedlots would pay an annual charge equal to 25% of the per-head inspection fee multiplied by the feedlot's one-time capacity. The brand renewal fee, paid once every four years, would increase from \$200 to \$400.

The amendment also would create a classification for Dairy Heifer Development Facilities and exempt certain dairy-related cattle movements from inspection, such as transfers between development facilities and dairies. Cattle already inspected and placed in a registered feedlot or background lot could move between feedlots without another inspection if proper documentation is provided. Inspections still would be required for sales, ownership changes and most other movements.

Sumner Sen. Teresa Ibach supported the Jacobson amendment, calling it an "important step" in modernizing Nebraska's cattle industry. She said the proposed changes would ensure long-term funding, reflect modern

industry practices and protect the inspection system.

Sen. Tanya Storer of Whitman also supported the amendment. Inspections and audits are "non-negotiable" elements that ensure the integrity of the state's brand inspection system, she said, and the proposal would preserve core protections like proof of ownership and fraud prevention.

Referencing recent widespread wildfires that have affected ranchers in western Nebraska, Storer said the brand inspection system plays a critical role in safeguarding producers' investments, especially in difficult times.

Opposing the measure was Lincoln Sen. Danielle Conrad. The strength of Nebraska's cattle industry indicates the current system is working, she said, and that the need for change is unclear. Additionally, citing strong opposition at public hearings, she questioned whether the proposal was representative of everyone's interests, calling it an "uneasy compromise."

After voting 39-1 to adopt Jacobson's amendment, lawmakers approved the committee amendment 38-1. Senators then advanced LB1187 to select file on a 36-4 vote.

## APPROPRIATIONS

### Budget adjustment package approved

Lawmakers passed three measures April 1 containing the Appropriations Committee's mid-biennium budget adjustments and payment authorization for claims against the state.

The state budget is structured on a two-year basis, with the budget en-

acted during legislative sessions held in odd-numbered years. Adjustments are made during sessions held in even-numbered years.

Before the 2026 session began in January, senators were facing a \$471.5 million budget shortfall. That hole got deeper following a February meeting of the Nebraska Economic Forecasting Advisory Board, which lowered revenue projections by another \$175 million.

The Appropriations Committee's budget adjustment package reduces that shortfall to \$37 million through a variety of cuts to general fund appropriations, sweeps from state agency cash funds and reappropriation of existing general fund dollars.

Several revenue-generating proposals making their way through the legislative process are expected to close the remaining gap.

Lawmakers first voted 45-0 to suspend a legislative rule requiring budget bills to be passed by the 50th day in a 60-day session. Arch said the "extensive debate" needed to approve the budget this year required more time, leading to the bills being considered for final passage on Day 53 of the legislative session.

LB1071, passed 35-13, is the main budget adjustment bill introduced by Speaker John Arch of La Vista on behalf of Gov. Jim Pillen. The measure provides, changes and eliminates provisions related to appropriations for state expenses for the biennium ending June 30, 2027.

Also introduced by Arch at the request of the governor, LB1072 provides for and changes transfers from the Cash Reserve Fund and makes a number of changes to other fund transfers, agency powers and duties and a variety of programs.

The measure also was approved 35-13.

Finally, lawmakers passed a bill that provides for payment of claims against the state on a 48-0 vote. LB1133, sponsored by Business and Labor Committee chairperson Sen. Kathleen Kauth of Omaha, approves \$695,507 in settled claims; six Workers' Compensation Court claims totaling \$1.17 million and a variety of state agency write-offs totaling \$2.84 million.

All three measures take effect immediately.

The governor has five calendar days, excluding Sunday, to sign, veto or line-item veto appropriations within the budget bills.

If budget bills are returned to the Legislature with line-item vetoes, the Appropriations Committee must report on the fiscal impact of the vetoes within one day and may offer a motion to override any or all of them. Thirty votes are required to override a veto.

## BANKING, COMMERCE & INSURANCE



### Insurance coverage for certain pediatric disorders clears first round

Lawmakers amended and advanced a bill from general file March 31 that would require Nebraska insurers to cover treatments for two related pediatric autoimmune disorders that manifest as mental health disorders.

LB762, sponsored by Lincoln Sen. George Dungan, would require coverage for an array of treatments for pediatric acute-onset neuropsychi-



Sen. George Dungan

atric syndrome (PANS) and pediatric autoimmune neuropsychiatric disorder associated with streptococcal infections (PANDAS), a subset of PANS.

Dungan said the related disorders, commonly known as PANS/PANDAS, impact a child's autoimmune system and are characterized by the sudden onset of a number of troubling behavioral issues such as obsessions and compulsions, extreme anxiety, behavioral aggression, mood disorders, urinary symptoms and sleep disorders.

While PANS/PANDAS is a recognized clinical diagnosis, Dungan said, the disorders are rare enough to remain misunderstood by many in the health care and insurance fields.

Dungan said LB762 is important because the last resort when all other treatments have failed is intravenous immunoglobulin, or IVIG, which costs roughly \$15,000 per treatment. With early and appropriate care, many children can experience significant improvement or even remission without IVIG, he said, but if left untreated, inflammation can persist, causing long-term neurological and psychiatric issues.

"We have an opportunity here, colleagues, to pass a bill that truly helps people," Dungan said. "The [number] of people it's going to help is relatively small, compared to other bills that we maybe see sometimes with tax credits and things like that, but the families that need this help, they need it dearly."

As introduced, the bill also would require an annual report to the state Department of Insurance that includes the number of times the insurance policy denied coverage for treatment of PANS/PANDAS and which specific treatment was denied.

A Banking, Commerce and Insurance Committee amendment would replace the bill with a modified

version of the proposal. The amendment would remove the reporting requirement, but would retain legal definitions for PANS/PANDAS and establishment of a framework for diagnosis and treatment.

Under the amendment, treatments required by the bill's mandate must be recommended by the patient's licensed physician, and the proposal would take effect Jan. 1, 2027.

Sen. Kathleen Kauth of Omaha supported the bill, which she called a "fiscally conservative" proposal that would benefit both families dealing with the disorder and the state as a whole.

Kauth said a friend's family went through years of "trial and error" treatments based on what their insurance would cover before their son was able to receive IVIG for PANS/PANDAS. Those six infusions cost between \$15,000 and \$20,000 each, she said, and likely could have been avoided with earlier interventions.

"It took a while because it had gone on so very long," Kauth said. "We'll never understand exactly how he would have turned out had he not had constant hospitalizations ... and in-patient psychiatric care because of how this was impacting him."

Also supporting LB762 was Gering Sen. Brian Hardin. He called the bill "a no-brainer" because of how much more expensive PANS/PANDAS treatment is if delayed and how few children — approximately 10 each year in Nebraska — are diagnosed with the disorder.

"I think this is the right thing to do at this time, not only for the financial reasons but in terms of helping to end suffering," Hardin said.

Sen. Mike Jacobson of North Platte, chairperson of the committee, cautioned senators about the possible long-term fiscal implications of the proposal.

While LB762 does not have any immediate General Fund impact, he

said, insurance companies could make a case for "defrayment" — a provision under which states, rather than insurance companies, must pay the cost of mandates that exceed those provided in the federal Affordable Care Act.

Elmwood Sen. Robert Clements echoed those concerns in his opposition to the proposal, saying he could not vote for an insurance mandate, especially if it could result in the state ultimately defraying the cost of coverage.

Dungan said other states with similar laws have indicated that attempts by insurers to seek defrayment have rarely been successful. In addition, he said, the potential cost to insurance companies won't be known for several years and could be addressed by lawmakers in the future if it becomes an issue.

"The reality of the situation is that we have people here today ... who need this treatment," Dungan said.

After adopting the committee amendment 46-0, senators advanced LB762 to select file on a 45-2 vote.

## BUSINESS & LABOR

### Firefighter work comp bill stalls after failed cloture vote

A measure that would provide workers' compensation benefits to certain firefighters who develop some cancers stalled March 30 after an attempt to shut off debate and force a vote on the bill failed.

LB400, sponsored by Fremont Sen. Dave Wordekemper, would amend the Nebraska Workers' Compensation Act to include cancer experienced by firefighters as a result of exposure to known carcinogens in the

course of their employment.

As introduced last session, the bill would establish a rebuttable presumption that cancer experienced by a firefighter arose out of the course of employment. The measure would apply to professional and volunteer firefighters who have served for at least five years.

Retired firefighters would be eligible for medical benefits only and must be diagnosed within 60 months of retiring.

During previous first-round debate on the measure Jan. 23, lawmakers adopted an amendment offered by Kearney Sen. Stan Clouse meant to address concerns about the inclusion of coverage for volunteer firefighters.

Under the Clouse amendment, a volunteer firefighter would be eligible for benefits only after serving for 10 years, during which time they must have actively participated in a minimum of 40% of the department's drills and 25% of emergency calls received. It also would change the bill's operative date to Jan. 1, 2027.

At Wordekemper's request, LB400 was passed over after five hours of debate to provide time for additional negotiations. When debate resumed March 30, lawmakers considered a pending Business and Labor Committee amendment that would replace LB400 with a modified version of the original bill.

The committee amendment would establish a rebuttable presumption only if two conditions are met: if a cancer was shown to be medically caused by employment-related exposure to cancer-causing substances, and if the firefighter's previous physical examinations showed no evidence of cancer.



Sen. Dave Wordekemper

Wordekemper said current law places the burden on firefighters to prove their cancer was caused by their employment. LB400 would shift that burden away from firefighters who are fighting for their lives, he said, and instead place it on their employer.

He also cited research from the National Institute for Occupational Health and Safety that found firefighters face double the risk of developing mesothelioma than the general population and a 129% higher risk of dying from such cancer.

“Right now, the deck is stacked against [firefighters],” Wordekemper said. “Rather than requiring a sick firefighter to prove a connection that science has already established, [LB400] allows the employer to rebut it ... [and] changes where the gathering of evidence starts.”

A series of amendments offered by North Platte Sen. Mike Jacobson that would have updated language and clarified the requirements for retired firefighters to qualify for the rebuttable presumption were rejected by lawmakers.

Jacobson said LB400 would place a financial burden on rural fire departments and municipal governments.

Sen. Bob Hallstrom of Syracuse disagreed. He said similar legislation in other states that provides a rebuttable presumption for certain workers’ compensation claims has not resulted in significant cost increases or led municipalities to file for bankruptcy.

Whitman Sen. Tanya Storer opposed LB400. She said the increased costs associated with providing cancer benefits likely would raise local property taxes and result in higher workers’ compensation benefit premiums for volunteer fire departments.

“It’s not [about] whether or not we support our volunteer firefighters ... it’s whether or not this is a responsible

mandate for ... property taxpayer dollars to be used for,” Storer said.

Sen. Mike Moser of Columbus also opposed the bill, saying benefits for firefighters who develop cancer as a result of their job should be negotiated as a condition of their employment rather than set by the state.

He also expressed concern that the bill potentially would lead to rebuttable presumptions for other dangerous occupations, such as farming, law enforcement or sewage plant operators.

“The state should not be putting our thumb on the scale,” Moser said. “If we do this for firemen ... where do we stop?”

After three additional hours of discussion, Wordekemper offered a motion to invoke cloture and cease debate. The motion failed on a 32-15 vote. Thirty-three votes were needed. A failed cloture motion ends debate on a bill for the day.

**Workforce omnibus bill given final approval**

Lawmakers passed an omnibus workforce measure April 1.

LB847, sponsored by Omaha Sen. Kathleen Kauth, creates the Nebraska Office of Registered Apprenticeship within the state Department of Labor to serve as the state apprenticeship registry. The bill also creates the Nebraska Apprenticeship Council to advise the office and provide community outreach and education regarding the benefits of apprenticeship.

In addition, the measure increases from 20% to 50% the amount of the unemployment combined tax rate that can be transferred to the Workforce

Development Program Cash Fund to invest in workforce development initiatives.

LB847 includes provisions of five other measures considered by the Business and Labor Committee this session, including:

- LB747, sponsored by Elkhorn Sen. Tony Sorrentino, which establishes uniform enforcement authority across multiple programs managed by DOL, including changing youth employment certification procedures, removing an infraction for failure to provide a wage statement and expanding the department’s subpoena powers;
- LB864, introduced by Sen. Jason Prokop of Lincoln, which transfers responsibility for awarding and disbursing grants under the InternNE program from the state Department of Economic Development to DOL;
- LB1015, sponsored by Sumner Sen. Teresa Ibach, which creates the Business Innovation Cash Fund within DOL and establishes a mechanism to provide funding for the Business Innovation Act from a percentage of State Unemployment Insurance Trust Fund dollars, as designated by



Sen. Tony Sorrentino



Sen. Jason Prokop



Sen. Teresa Ibach

- the commissioner of labor;
- LB1044, introduced Prokop, which appropriates \$15 million in fiscal year 2026-27 from the Business Innovation Cash Fund for grants under the Business Innovation Act and requires that at least \$4 million in grants be awarded annually; and
- LB1173, sponsored by Kauth, which changes the name, filing fee and permitted uses of the Contractor and Professional Employer Organization Registration Cash Fund and allows DOL to assess fees annually on all employers under the Employment Security Act on a graduated scale based on gross wages paid out in the previous year, not to exceed a total of \$15 million.

The measure passed on a vote of 44-4 and takes effect immediately.

## EDUCATION

### Elimination of reduced-price school meal fees advanced

Senators gave first-round approval April 2 to a measure aimed at making school breakfast and lunch free for students who currently pay reduced prices.

LB966, introduced by Omaha Sen. Machaela Cavanaugh, would adopt the Hunger-Free Schools Act and require the state Department of Education to reimburse public and nonprofit private schools for part of the cost of meals served to



Sen. Machaela Cavanaugh

students who qualify for reduced-price meals under federal guidelines.

Under the bill, the state would cover the difference between the federal reimbursement rate for a free meal and the lower rate for a reduced-price meal, allowing schools to provide those meals at no cost to eligible students, eliminating the reduced-price fee families currently pay.

Cavanaugh said children who are not adequately fed are more likely to struggle in school and face higher risks of long-term health and social challenges, adding that consistent access to meals supports students' success and well-being.

She acknowledged the proposal requires a funding source, which she plans to secure – potentially through a cash fund and a public-private partnership – before the second round of debate.

“Investing in our children is the right thing to do,” Cavanaugh said.

Lawmakers voted 32-7 to advance LB966 to select file.

## EXECUTIVE BOARD

### Bill to prohibit certain weapons in state Capitol narrowed, advanced to final round

After narrowing the definition of a prohibited weapon, lawmakers advanced a bill from select file March 31 that would prohibit entering the Nebraska State Capitol with a weapon or other banned substance.

LB1237, introduced by the Executive Board, would provide exceptions for individuals who have received prior approval from the Nebraska State

Patrol and would allow possession of a weapon by law enforcement officers in the course of their official duties.

The bill also would allow any individual holding a current, valid permit issued pursuant to the Concealed Handgun Permit Act and qualified law enforcement officers, including retired officers, to carry concealed handguns in the building.

As introduced, violations of LB1237 would be a Class III misdemeanor. The measure was amended on general file to remove the criminal penalty for violations of the bill's provisions.

The Nebraska State Patrol would be charged with implementing procedures to provide for detection of weapons and controlled substances to prevent them from being brought into the Capitol by no later than Jan. 1, 2027.

Under the bill as introduced, prohibited substances would include explosives, incendiary or other combustible devices, hazardous materials and paint and spray paint. Weapons would include guns, knives, brass or iron knuckles, pepper spray, tasers and stun guns.

Sen. Ben Hansen of Blair, chairperson of the committee, offered an amendment on select file to narrow the bill's definition of a weapon to include only firearms and knives with a blade over 3.5 inches in length that could, in the manner it is used or intended to be used, be capable of producing death or serious bodily injury.

Hansen said the definition mirrors that of a “deadly weapon” in other areas of state law and was chosen to avoid the bill being “too proscriptive” by banning items such as pocket knives or pepper spray.

“The change focuses the prohibition on the most deadly items while avoiding an overly broad ban that would affect nonlethal defense tools along with common, everyday carry

items many Nebraskans have for legitimate purposes,” Hansen said.

Following adoption of the Hansen amendment 35-1, senators advanced LB1237 to final reading 36-3.

## GENERAL AFFAIRS

### Alcohol, medical cannabis regulations approved

A measure that updates state liquor laws and provides structure for the implementation of medical cannabis regulations was given final approval April 1.

LB1235, sponsored by the General Affairs Committee, reorganizes the structure and administration of the Nebraska Medical Cannabis Commission, including authorizing an annual \$12,500 salary for commission members.

Under the measure, the commission is authorized to establish a maximum fee of \$50,000 for license applications, registrations and renewals and require a finger-print based national criminal history background check for initial applicants.

The bill also creates the Nebraska Medical Cannabis Commission Cash Fund to receive fees, gifts, grants and other revenue to support administration and enforcement, including salaries, materials, equipment, education and training.

The measure also includes the amended provisions of LB1085, sponsored by Sen. Stan Clouse of Kearney, which clarifies the definition



Sen. Stan Clouse

of a bottle club and requires the Nebraska Liquor Control Commission to consider if an applicant is delinquent in any federal, state or local taxes when determining licensure.

Existing criminal penalties also are expanded to apply to the unlicensed retail sale of alcoholic liquor, bringing those penalties in line with those for unlicensed manufacture of spirits.

Finally, provisions of Norfolk Sen. Robert Dover’s LB1128 create a consumption-only option under state entertainment district licensure, allowing local governing bodies to designate areas within an entertainment district where alcohol can be consumed, but not sold, for a \$25 license fee.



Sen. Robert Dover

LB1235 passed on a vote of 46-2 and takes effect immediately.

## GOVERNMENT, MILITARY & VETERANS AFFAIRS

### Hall of fame bill amended into open meeting, public records measure

A proposal that would address open meetings, legal notices and public records requirements in Nebraska was broadened March 31 to include a proposal intended to clear a path for Tom Osborne to be inducted into the Nebraska Hall of Fame.

LB596, as introduced last session by Sen. Rita Sanders of Bellevue, would authorize digital news publication of legal notices as an alternative to print newspapers, if a digital news

publication does not also have a print version.

During the first round of debate, Hastings Sen. Dan Lonowski attempted to add an amended version of his LB1159 to the proposal. That amendment encountered concerns that it constituted “special legislation” – the granting of exclusive privileges or benefits to a specific group or individual – something the Nebraska Constitution prohibits.



Sen. Rita Sanders



Sen. Dan Lonowski

The Nebraska Hall of Fame Commission currently selects one inductee every five years and the honor is limited to individuals who have been dead for at least 35 years. Lonowski’s original proposal, introduced at the request of Gov. Jim Pillen, would require that the commission name one living inductee before Jan. 1, 2027.

It also would require that the inductee:

- be a prior member of the U.S. House of Representatives;
- be a former head coach of the University of Nebraska-Lincoln football team;
- have served as Athletic Director of the University of Nebraska-Lincoln; and
- have attended Hastings High School.

Lonowski offered a narrowed version of the proposal during select file debate. The amendment would retain the requirement that the commission induct a member this year, but would limit the criteria to someone who has demonstrated a record of achievement in public service, leadership in col-

legiate athletics and volunteer youth mentorship activities.

The amendment also would eliminate the requirement that an individual have been dead for at least 35 years before being included in the Nebraska Hall of Fame going forward.

Lonowski said the new version of his proposal would address constitutional concerns, allow for consideration of living Nebraskans for inclusion in the Nebraska Hall of Fame and leave the decision regarding this year's inductee up to the commission.

"[The amendment] addresses the concern expressed and would make this hall of fame proposal constitutional. It replaces a closed class, which was just for Tom Osborne, with an open class," Lonowski said.

The amendment was adopted 29-1.

An amendment offered by Norfolk Sen. Robert Dover as a cleanup provision related to the Nebraska Real Estate Commission, originally his LB810, was challenged as not being germane to the underlying bill. That challenge was successful and the amendment was not considered.

Lawmakers then advanced LB596 to final reading by voice vote.

## HEALTH & HUMAN SERVICES

### HHS omnibus bill amended, advanced to final round

Lawmakers amended an omnibus health and human services proposal March 31 to include provisions of several other measures before advancing the bill to the final round of debate.

LB912, sponsored by Gering Sen. Brian Hardin, would create the Com-

munity Health Worker Training Endorsement Act.

Under the bill, the state Department of Health and Human Services would be required to establish a statewide process to endorse community health worker training programs that meet minimum standards of quality and ensure services provided by community health workers are eligible for reimbursement by Medicaid and private insurers.

The measure was amended on the first round of debate to include provisions of several additional bills, including LB1211, introduced by Ralston Sen. Merv Riepe. That proposal would update the Automated Medications Systems Act to allow licensed pharmacies to operate automated pickup kiosks that securely store and dispense prescription medications to patients and caregivers.

Riepe offered an amendment on select file to update those provisions, which would require a licensed pharmacy to obtain annual licensure for each kiosk. Under the amendment, the application fee for each initial kiosk license could not exceed \$200 and the fee for annual license renewals could not exceed \$50.

The amendment was adopted 34-0, and the provisions would take effect May 1, 2027.

Sen. Beau Ballard of Lincoln also offered an amendment during second-round debate to add the amended provi-



Sen. Brian Hardin



Sen. Merv Riepe



Sen. Beau Ballard

sions of his LB825 into the committee package.

The amendment, adopted 32-1, would require practitioners licensed under the Mental Health Practice Act to complete a minimum of two hours of continuing education in domestic abuse counseling every two years.

Individuals who apply for a provisional mental health practitioner license also would be required to complete three hours of domestic abuse training, including training on:

- appropriate screening tools;
- indicators of high lethality or risk;
- documentation standards;
- appropriate referrals;
- advocacy and systems navigation;
- impacts on children;
- ethical practice; and
- trauma informed and victim-centered care and safety planning.

The amendment would require such training be conducted by an individual who has a minimum of three years of experience working with offenders or victims of domestic abuse and has completed an additional 40 hours of domestic abuse related training.

Ballard said the measure stems from a recommendation by the Nebraska Domestic Abuse Death Review Team to provide focused education on domestic violence for mental health professionals who may encounter victims or perpetrators of intimate partner violence.

"At its core, this proposal is about prevention and preparedness [and] making sure professionals who may be in the position of recognizing warning signs have the baseline training necessary to respond appropriately," he said.

Another select file amendment, brought by Niobrara Sen. Barry DeKay and adopted 36-0, added the amended provisions of his LB796 to

the measure.

Under his amendment, an individual employed by a facility where dispensed drugs and devices are delivered from a pharmacy to be picked up by a patient or caregiver would not be considered to be engaging in the practice of pharmacy if counseling was offered to the patient prior to or at the time of dispensing, and if the prescription is not a controlled substance, has been prepaid and remains in its original packaging with proper storage.

A drug or device that has not been picked up within 30 days of delivery must be donated, destroyed or returned to the pharmacy.

The facility also would be required to maintain documentation of delivery of the drug or device, including the date received, name of the pharmacy and patient, the signature and printed name of the individual picking up the prescription and the date it was picked up, donated, destroyed or returned to a pharmacy.

Finally, Hardin offered an amendment that included provisions of his LB914. Those provisions would repeal a state law that holds physicians or physician groups liable for negligent acts or omissions of physician assistants who are acting under their supervision.

Hardin said the amendment would ensure physicians and physician assistants are fully liable for their own actions under standard malpractice law.

“This does not reduce patient protections, change supervision requirements or expand scope of practice,” he said. “It removes an unnecessary legal deterrent that can discourage physician and PA collaboration, particularly in rural and underserved areas, and



Sen. Barry DeKay

better aligns Nebraska law with how care is delivered today.”

The amendment was adopted 35-0, and lawmakers advanced LB912 from select file on a voice vote.

### **Medicaid cost-sharing limitations amended, advanced**

A bill that intended to place limitations on out-of-pocket expenses for Medicaid recipients was narrowed and advanced to select file April 2.

LB929, as introduced by Omaha Sen. John Fredrickson, would prohibit the state Department of Health and Human Services from imposing deductibles, co-insurance, copayments or similar cost-sharing charges on Medicaid enrollees unless required by federal law.



Sen. John Fredrickson

It also would require DHHS to set new copayments required under the One Big Beautiful Bill Act of 2025 at the federal minimum, allow managed care organizations to pay those charges on behalf of enrollees and prohibit providers from denying care to an enrollee who fails to pay a required charge.

Fredrickson said federal law requires Medicaid expansion enrollees with incomes between 100% and 138% of the federal poverty level to pay copays of up to \$35 for nonexempt services, while allowing states to determine the exact amount.

The requirement makes it challenging for DHHS to administer and collect charges, he said, and creates uncertainty for enrollees, which can deter individuals from seeking necessary medical care.

A Health and Human Services Committee amendment, adopted 29-8, would replace the bill with a

narrowed proposal.

The amendment instead would allow Medicaid managed care organizations to cover out-of-pocket costs, such as deductibles or copayments, on behalf of Medicaid enrollees to the extent allowed under federal law.

Fredrickson said managed care organizations began covering out-of-pocket expenses for Medicaid enrollees in 2024 to ensure cost would not be a barrier to care. The amendment simply would place permissive authority in state law for that practice to continue, he said.

“Copays are associated with financial barriers, delayed treatment and worse health outcomes,” Fredrickson said. “This [proposal] simply allows the state’s managed care organizations to cover the cost of any copays, similar to how they have done previously.”

Sen. Beau Ballard of Lincoln supported the bill and committee amendment, which he said would provide clarity to providers and managed care organizations following policy changes at the federal level.

“[MCOs] already have the option to do this, this is just providing a bit more guidance,” Ballard said.

Omaha Sen. Kathleen Kauth opposed the measure. She expressed concern that removing the responsibility for Medicaid enrollees to pay for their own care could result in an overuse of services, greater reliance on government support and an increased burden on taxpayers.

“When we start removing responsibilities from people, we create dependency ... [and] once you create dependency, it creates an entitlement,” Kauth said.

Following adoption of the committee amendment, LB929 was advanced to select file 28-9.

**Medicaid waiver assessment bill amended, advanced**

A Medicaid waiver proposal was amended to detail the assessment process for developmental disability service provision in Nebraska and to require the state to maintain the maximum amount of retroactive Medicaid coverage allowed under federal law before advancing from general file March 31.

LB958, as introduced by Omaha Sen. Machaela Cavanaugh, would have required legislative approval to seek waiver changes in service provision – including cost limit adjustments, narrowed eligibility or a reduction in aggregate service hours – to Medicaid recipients who require nursing-level care in their home or community, rather than in an institutional setting.

A Health and Human Services Committee amendment, adopted 43-0, struck those provisions and replaced the bill. Cavanaugh said the original version of LB958 was no longer needed after a proposed cap on service hours was removed from the state’s waiver by the governor.

She said the amended proposal instead seeks to address concerns from families of individuals with developmental disabilities who believe an assessment tool used by the state Department of Health and Human Services does not adequately consider the unique circumstances of each waiver participant.

Cavanaugh said the proposal would implement safeguards that improve fairness and ensure Nebraskans with disabilities receive services that best fit their needs.

“[It] simply ensures that as we move



Sen. Machaela Cavanaugh

forward, we are doing so in a way that is transparent, accountable and centered on the people who rely on these services,” she said.

Under the amended proposal, DHHS’s assessment tool used to determine functional eligibility, service needs and service tier assignments for Medicaid waiver participants must be administered by an employee or contractor trained in clinical interviewing techniques that include:

- proper administration of assessment tools;
- methods for clarifying ambiguous or incomplete responses;
- procedures that ensure accurate and complete assessment results; and
- techniques for adapting questions to the comprehension and communication needs of the individual being assessed.

Additionally, services authorized under a waiver must be based on individualized assessments of medical necessity, functional need and health and safety requirements as determined through a person-centered planning process in accordance with federal home and community based services waiver regulations.

The services must be sufficient in amount, duration and scope to reasonably serve the needs of participants and prevent unnecessary institutionalization, hospitalization or risk of serious harm. The amendment also would require that determinations be communicated by DHHS to a waiver participant, or their parent or legal guardian, in a timely, clear and specific manner.

If an assessment results in a reduction of a waiver participant’s service tier, authorized service hours or service provision, the department also would be required to conduct an immediate supervisory review of the assessment and determination prior to final imple-

mentation of the reduction.

Additionally, the amendment would require DHHS to submit a report to the Legislative Oversight Committee, the Health and Human Services Committee and the Nebraska Office of Public Counsel regarding implementation and use of assessment tools for waiver participants no later than Aug. 1, and annual reports thereafter.

Omaha Sen. John Fredrickson supported the bill and committee amendment. He said the waiver serves as a “lifeline” for many families to ensure their loved one receives the care they deserve.

The committee amendment also includes the amended provisions of Cavanaugh’s LB777.

Those provisions would require DHHS to provide the maximum amount of retroactive coverage for each Medicaid eligibility category authorized by federal law under the One Big Beautiful Bill Act of 2025. The amendment also would require the department to include information regarding work requirements, concurrent enrollment and cost sharing in the Medicaid and Long-Term Care annual report.

Following adoption of the committee amendment, senators advanced LB958 to select file 45-0.

**JUDICIARY**



**Peer support confidentiality protections approved**

A measure to protect the confidentiality of communications between certified peer support team members and public safety personnel was given final approval April 1.

LB816, introduced by Whitman Sen. Tanya Storer, establishes legal protections for peer support counseling involving law enforcement officers, first responders, emergency services employees and hospital personnel who provide direct patient care.



Sen. Tanya Storer

The bill bars communications made during peer support sessions — which pair trained colleagues with shared experience with public safety personnel in need of help — from being used in disciplinary or legal proceedings.

Public safety agencies also must develop written guidelines for peer support teams and their members if they choose to establish such a program.

The bill includes provisions of LB1084, also sponsored by Storer, a cleanup measure to clarify that certain emergency protective custody placement provisions apply to convicted sex offenders.

LB816 passed 48-0 and takes effect immediately.

**Judiciary omnibus bill amended, advanced to final round**

A Judiciary Committee package containing several proposals related to sentencing, court fees and rural legal access was amended and advanced to final reading April 1.

Under LB935, introduced by Lincoln Sen. Carolyn Bosn, a political subdivision could recover attorney fees and court costs if it must defend against a claim that a court finds to be frivolous or primarily intended to harass the subdivision or



Sen. Carolyn Bosn

its public officials.

As amended on general file, LB935 includes several additional proposals, including LB1199, introduced by Sen. Teresa Ibach of Sumner. The measure would expand eligibility for the state Legal Education for Public Service and Rural Practice Loan Repayment Assistance Act by providing \$10,000



Sen. Teresa Ibach

in additional funding and increasing the county population threshold from 15,000 to 75,000 to qualify as a “designated legal profession shortage area.”

During select file debate, Lincoln Sen. Danielle Conrad offered an amendment to create a priority system for the rural attorney loan repayment program under the act. The amendment would prioritize funding first to attorneys practicing in counties with no other practicing attorneys, then to those in counties with fewer than three practicing attorneys and finally those in counties with fewer than 75,000 residents.

Conrad said the amendment would target areas of the state with the most severe attorney shortages while preserving existing benefits.

“I would just hate to see a meaningful award be diminished or diluted as we cast the net wider with not really a lot more money,” Conrad said.

Bosn then offered an amendment to the Conrad amendment to clarify that the new priority system would apply only to awards made after July 1. It also would specify that the provisions would not affect awards previously made to recipients on or before June 20.

Senators voted 34-0 to adopt Bosn’s amendment before adopting Conrad’s 35-0.

Sen. John Cavanaugh of Omaha also offered an amendment, adopted

37-0, that would modify sentencing rules by preserving the presumption of probation for Class IV felonies, while adding an exception. Under the amendment, defendants would lose the presumption if they were originally charged with a more serious felony and later pleaded down to a Class IV offense.

Cavanaugh said the change aims to maintain leniency for lower-level offenses while preventing more serious offenders from automatically qualifying for probation.

Omaha Sen. Ashlei Spivey also offered an amendment to the measure targeting provisions related to Bellevue Sen. Rick Holdcroft’s LB1228, included in the omnibus package.



Sen. Rick Holdcroft

Introduced at the request of Gov. Jim Pillen, LB1228 would establish a new docket fee for civil cases and traffic misdemeanors or infractions in district and county courts and create a \$10 case-management system software fee.

New court fee revenue would be directed primarily to the state’s General Fund, while a portion would be deposited into a court-specific cash fund to support maintaining and upgrading court technology systems.

Under Spivey’s amendment, those fees instead would be directed to a dedicated court cash fund and could not be used for other purposes and certain fees, including the proposed traffic-related fee, would be reduced.

Spivey said relying on increased fees to balance the state budget is regressive, disproportionately impacts low-income individuals and risks diverting revenue to purposes unrelated to supporting the judiciary.

Bosn opposed the amendment, saying directing fee revenue to a

dedicated court fund could risk underfunding the courts if the fees do not generate as much revenue as expected.

Syracuse Sen. Bob Hallstrom also opposed the amendment. It is not unprecedented for court fees to be directed to the General Fund, he said, and the current approach would avoid unintentionally cutting court funding if projected fee revenue falls short.

The Spivey amendment failed 13-30.

As amended on general file, LB935 also includes provisions of the following bills:

- LB789, introduced by Bosn, which would prevent defendants from benefiting if they intentionally make a witness unavailable, allowing a witness's prior statements to be admitted in court;
- LB876, sponsored by Hallstrom, which would establish a statewide 72-hour no-contact period to take effect automatically when a person is arrested for certain domestic or sexual assault offenses;
- LB978, introduced by Whitman Sen. Tanya Storer, which would allow individuals depicted in or exposed to obscene material, child sexual abuse material or content promoting child sexual exploitation to sue entities that intentionally distribute such content on publicly available websites;



Sen. Bob Hallstrom

- LB1020, sponsored by Sen. Eliot Bostar of Lincoln, which would criminalize



Sen. Eliot Bostar

unauthorized use of tracking devices, establish penalties for swatting incidents and restrict drone use in designated airspace without proper approval; and

- LB1139, introduced by Hallstrom, which would modify how child and spousal support liens are applied by limiting them to periods of missed payments and requiring their automatic removal once obligations are satisfied.

Senators voted 33-12 to advance LB935 to final reading.

### Youth reentry program clears first round

Lawmakers gave first-round approval April 2 to a measure aimed at easing the transition for Nebraska youth leaving detention, residential placement or probation supervision.

LB962, sponsored by Omaha Sen. Terrell McKinney, would create the Youth Reentry and Transitional Support Act, a multi-agency program focused on continuity of services during the first year of a young person's transition back to their community.

McKinney said reentry is a critical period for youth in the state's juvenile system, which too often focuses on supervision and "underinvests" in transition planning. As a result, he said, youth frequently leave state systems without proper support, leading to housing instability, gaps in medical care and a higher risk for recidivism.

"If we want different outcomes, we must build different systems," McKinney said. "LB962 is an effort to improve the process of when youth are leaving our systems to make sure they

have better plans and better supports to make sure they don't return back to our systems."

A Judiciary Committee amendment, adopted 43-0, replaced the bill with a modified version of the proposal that would narrow eligibility and simplify the program by using existing agency staff and resources.

The amendment directs the state department of Health and Human Services, Office of Juvenile Services, Office of Probation Administration and the state Department of Education's Division of Rehabilitation Services to coordinate in establishing the reentry program.

A transition plan would be developed at the point of entry into a state system to address the following areas upon a juvenile's release:

- family engagement;
- housing stability;
- school reentry;
- behavioral health and Medicaid continuity; and
- employment and workforce assistance.

Eligible youth would be provided with a transition plan, regular reviews and reentry supervision.

The committee amendment also would narrow eligibility from youth under age 21 to those under age 19 and remove a number of requirements in the original proposal, including caseload standards and a guarantee of 12 months of aftercare services.

McKinney said the amendment would address fiscal concerns from DHHS and the Nebraska Supreme Court while still improving the reentry process for juveniles leaving probation or state custody.

Sen. Carolyn Bosn of Lincoln, committee chairperson, supported the amendment and the underlying bill. She said the measure would focus on transition planning and coordination



Sen. Terrell McKinney

and eliminate the original proposal's fiscal impact.

"I believe this amendment reflects a good compromise, improving the bill and creating a more workable framework for accomplishing the underlying goal of LB962," Bosn said.

An additional amendment offered by McKinney and adopted 36-0 would make the bill's implementation optional, clarify agency responsibility and eliminate agency obligations to provide services once a juvenile leaves probation supervision or state care, custody or control.

After adoption of an additional technical amendment, lawmakers advanced LB962 to select file on a 41-0 vote.

### Probation system misconduct bill expanded, advanced

A proposal aimed at preventing sexual relationships between probation officials and those under their supervision advanced from general file March 31 after lawmakers added provisions from six additional measures.

Under LB965, introduced by Sen. Eliot Bostar of Lincoln, individuals in positions of authority — including probation officers, problem-solving court employees, guardians, conservators, guardians ad litem, foster and adoptive parents and child welfare service providers — would be prohibited from engaging in sexual contact with those under their supervision or care.

The measure would establish penalties consistent with Nebraska law governing similar abuse-of-authority cases involving correctional staff, parole officers and school employees.

Sexual penetration would be a Class

IIA felony, punishable by up to 20 years in prison, while sexual contact would be a Class IIIA felony, punishable by up to three years in prison, up to 18 months of post-release supervision, a \$10,000 fine or both. Consent could not be used as a legal defense.

LB965 also would expand protections for minors under 19 who are receiving child welfare services by prohibiting sexual contact between those minors and service providers responsible for their care. Allegations of such misconduct would be referred to law enforcement rather than handled through alternative response, ensuring formal criminal justice review.

The bill would extend victim and witness assistance provisions, including those under Nebraska's Sexual Assault Victims' Bill of Rights, to individuals affected by such offenses and align sex offender registration requirements with similar statutes. It also would add adoptive and foster parents to the state's incest statute.

Bostar said the bill would close current gaps in state law by prohibiting sexual relationships where power imbalances exist, particularly involving probation officers, guardians and others in positions of authority.

"LB965 is straightforward legislation to protect vulnerable Nebraskans from sexual abuse and exploitation by individuals in positions of trust, power and authority," Bostar said.

Finally, LB965 would provide legal immunity for probation employees who, acting in good faith and in accordance with Office of Probation Administration policies, administer opioid overdose-reversal medication, such as naloxone, in emergency situations.

A Judiciary Committee amendment would incorporate provisions of six additional bills heard by the committee this session. Bennington Sen. Wendy DeBoer offered a success-

ful motion to divide the question and consider each bill contained within the committee amendment separately.

The first component contained the underlying bill, Bostar's LB965.

Sen. George Dungan of Lincoln offered an amendment to Bostar's proposal to specify that prohibitions would apply only when there is a supervisory or coercive relationship — or a direct connection in which one person has authority, oversight or decision-making power over the other, such as a probation officer supervising a probationer.

The law should require a "clear nexus" of power and control, Dungan said, warning that without his amendment, the measure could unintentionally criminalize consensual relationships between adults who do not have a professional connection, resulting in felony charges.

Bostar opposed Dungan's amendment, arguing it would weaken the measure by allowing potentially exploitative relationships in situations where one person's position of authority is, by itself, enough to justify prohibiting such a relationship.

Senators rejected Dungan's amendment 11-22 before voting 31-0 to adopt the first component of the divided amendment.

The second component of the divided committee amendment, adopted 33-0, includes provisions of LB908, introduced by David City Sen. Jared Storm.

Those provisions would require courts to consider credible evidence showing increased intellectual and social growth in children who have equal access to both parents when determining custody and parenting arrangements.

Storm said judges currently weigh



Sen. Eliot Bostar



Sen. Jared Storm

five statutory factors in custody decisions. The amendment would add a sixth factor requiring courts to consider evidence of the benefits of two-parent households, he said, while still considering existing best-interest standards.

“Ultimately, I believe it is in the best interest of children [to] have equal access to both parents as much as possible,” Storm said.

The third division, adopted 30-0, includes amended provisions of LB785, introduced by Sen. Bob Hallstrom of Syracuse. Those provisions would add postal receptacle keys and locks used for the deposit and delivery of mail to the list of burglar’s tools in state law when possessed with intent to commit a crime.



Sen. Bob Hallstrom

Hallstrom said the measure aims to address theft from communal mailbox units, where a single break-in can create multiple victims.

Containing amended provisions of LB859, introduced by Bostar, the fourth division of the committee amendment would create the position of “county conflict counsel” to allow counties to employ counsel to provide constitutionally required representation to indigent clients in matters in which the public defender cannot be appointed due to conflict or other good cause.

Lincoln Sen. Carolyn Bosn, chairperson of the Judiciary Committee, spoke in support of the measure, saying it would help counties better manage the cost of court-appointed counsel by creating optional systems to handle cases when public defenders are unavailable.

Sen. Danielle Conrad of Lincoln opposed the measure, saying it underscores the fiscal impact of criminal

justice policy. Increasing penalties and creating new crimes carry costs for taxpayers, she said, including rising indigent defense expenses.

Senators adopted the amendment 28-1.

The fifth portion of the committee amendment, containing Lincoln Sen. Jason Prokop’s LB1000, would establish a graduated penalty structure for violations of domestic abuse and sexual assault protection orders by increasing the penalty for a third offense to a Class IIIA felony and for a fourth or subsequent offense to a Class IIA felony.



Sen. Jason Prokop

Prokop said protection order requests and violations are on the rise, noting that in Lincoln alone more than 1,500 orders were filed in 2024, along with more than 500 violations and hundreds of citations.

This trend reflects growing risks and underscores the need for stronger penalties, he said, adding that repeated violations — like other “pattern of offenses” such as DUI or theft — should carry escalating consequences to deter continued misconduct.

Sen. Jane Raybould of Lincoln supported the amendment, pointing to data showing that 62 people in Nebraska have died in murder-suicide incidents tied to domestic violence since 2019. She said the trend underscores the need for stronger penalties to hold offenders accountable, prevent escalation and better protect victims.

“Protection orders are one of the most important tools we have, but the effectiveness depends on [orders] being fully enforced,” Raybould said.

Dungan offered an amendment to reduce the highest penalty level, scaling it back from a Class IIA felony to a

Class III felony, while maintaining escalating consequences for repeat offenses.

He said the change would better align with evidence showing that harsher penalties do not necessarily deter crimes, particularly those committed in moments of passion. While repeat violations are serious, Dungan said, a lower penalty level still would hold offenders accountable without overcriminalizing conduct.

Omaha Sen. Ashlei Spivey spoke in support of Dungan’s amendment. Senators should look “upstream” at the root causes of domestic violence rather than relying primarily on harsher penalties, she said, emphasizing the need to address factors such as mental health and underlying social conditions.

Conrad also supported Dungan’s amendment, saying the state should prioritize prevention strategies, such as education about healthy relationships, economic stability and addressing underlying causes of abuse, rather than relying solely on punishment after violence occurs.

“The solution to every problem can’t be a felony,” Conrad said.

Prokop opposed Dungan’s amendment, saying repeated violations clearly demonstrate escalation. He said families of domestic violence homicide victims he worked with while developing LB1000 told him they had followed recommended steps — obtaining protection orders, reporting violations and working with law enforcement — but those measures ultimately failed to prevent violence.

“We need to do whatever we can to prevent this from happening to other families,” Prokop said.

The Dungan amendment failed 12-26. Senators then voted 34-5 to adopt the amendment containing the provisions of LB1000.

A sixth division, adopted 29-2, incorporated provisions of LB818, intro-

duced by Whitman Sen. Tanya Storer. Those provisions would increase penalties for serious domestic assault offenses and repeat or high-risk offenders, aligning first- and second-degree domestic assault penalties with comparable crimes and expanding the definition to include reckless conduct involving a dangerous instrument that causes injury.



Sen. Tanya Storer

Additionally, the proposal would require courts to consider prior out-of-state and federal convictions and enhance penalties for assault by strangulation or suffocation when an offender has a prior comparable conviction.

The final division includes provisions of LB1123, also introduced by Bostar, which would establish a formal process for handling Brady-Giglio disclosures related to law enforcement officers' credibility in criminal cases.

Under the bill, officers must be given notice, an opportunity to respond and a review process before being placed on a Brady-Giglio list, which is used by prosecutors to track potential impeachment information.

The measure also would clarify that officers cannot be disciplined or terminated solely for being placed on such a list and set standards for how information is maintained and shared, while preserving prosecutors' obligation to disclose relevant credibility issues in court.

Sen. Terrell McKinney of Omaha opposed the amendment, saying the measure could hinder fairness in the legal system, particularly regarding transparency and defendants' rights. Creating additional procedural protections for officers could complicate disclosure requirements or limit access to important credibility

information, he said.

Conrad also opposed the amendment. Disclosure decisions are a critical part of the justice system and should remain primarily within the discretion of prosecutors, she said, cautioning against creating processes that could undermine transparency or introduce uncertainty into how cases are handled in court.

Omaha Sen. John Cavanaugh offered an amendment, adopted 44-0, to ensure law enforcement officers have representation, either through an attorney or union representative, throughout the process of being considered for a Brady-Giglio disclosure list.

Cavanaugh said the amendment would ensure law enforcement officers have basic procedural protections when their credibility is evaluated, including representation and the ability to respond and seek review, while keeping those challenges separate from criminal cases to avoid interfering with prosecutions or defendants' rights.

Following adoption of Cavanaugh's amendment, senators adopted the final division 36-5. Lawmakers then advanced LB965 to select file on a 36-1 vote.

### **Tribal customary adoption bill clears first round**

A measure that would recognize tribal customary adoptions in Nebraska law received first-round approval March 31.

As introduced by Bennington Sen. Wendy DeBoer, LB1032 would update Nebraska adoption statutes, the Foster Care Review Act and the Nebraska Indian Child Welfare Act to implement a process for recog-



Sen. Wendy DeBoer

inition and enforcement of tribal customary adoptions.

DeBoer said that although reunification of the original family is the ultimate goal in foster care situations, it is not always possible, and termination of the biological parents' parental rights is a required step in the adoption process when reunification cannot be achieved. This requirement, however, conflicts with many tribal traditions, she said, which view children as the responsibility of the broader tribal community.

As a result, DeBoer said, many tribes, including Nebraska's three recognized tribes – the Winnebago, Omaha and Ponca – practice tribal customary adoption, which allows a child to be adopted without having to permanently sever the relationship to their biological parents.

Tribal customary adoptions allow children to maintain connections to their biological family, tribe and culture, DeBoer said, by allowing retention of some rights, such as visitation, if agreed upon. Recognizing tribal customary adoptions, as many other states do, would improve permanency for Native American children, she said, while still prioritizing the best interest of the child.

"LB1032 is about respecting the cultures, customs and belief of our sovereign Native communities, ensuring that our laws, our statutes, aren't structured in such a way that can cause undue harm to Native children and families," DeBoer said.

A Judiciary Committee amendment, adopted 42-0, would make several modifications to the proposal. Lincoln Sen. Carolyn Bosn, committee chairperson, said the changes would make the bill "more workable" while ensuring that the best interest of Native American children is primary.

The amendment would remove a prohibition on the state filing a recom-

mendation or petition for termination of parental rights if a case involves a child who may be eligible for tribal customary adoption and instead allow the state the option not to do so.

It also would clarify when the state court must consider tribal customary adoption as part of a permanency planning hearing, and require notification of a child's tribe at least 20 days before the hearing if a recommendation is anything other than returning the child to the parent or home.

Bosn said the provisions would ensure that tribes have a meaningful opportunity to be heard in the permanency process.

Among other changes, the amendment also would make the following changes regarding the concurrent jurisdiction of a state juvenile court and a tribal court:

- require notice in writing to a child's tribe when the state court grants temporary concurrent jurisdiction to the tribal court;
- require the state Department of Health and Human Services to provide the tribal court with a copy of the state court files within 30 days to ensure that the tribal court can make an informed decision;
- clarify that the authority of a tribal court that has been granted temporary concurrent jurisdiction is limited to finalizing the terms of a tribal customary adoption;
- clarify that the tribal court must finalize the tribal customary adoption in the child's best interests;
- remove the authority of the child's tribe to conduct the pre-adoptive medical assessment; and
- add a 120-day deadline for the tribal court to complete the tribal customary adoption.

Niobrara Sen. Barry DeKay, whose legislative district is home to both the Ponca Tribe and the Santee Sioux Nation, supported the bill. Nationally, he said, tribal customary adoptions have become the preferred pathway to permanency for Native American and Alaska Native children.

"Many states have already codified tribal customary adoption through state statutes and tribal codes," DeKay said. "These measures ensure that Native youth may achieve permanency without severing cultural ties to their biological family and the tribal community."

Following adoption of a technical amendment offered by DeBoer, lawmakers advanced LB1032 to select file on a 42-0 vote.

### Ag foreign threat protection bill narrowed, advanced

A measure aimed at protecting the state's agricultural sector and infrastructure from foreign adversary threats was narrowed and given first-round approval March 30.

Under LB1096, introduced by Lincoln Sen. Eliot Bostar at the request of Gov. Jim Pillen, unauthorized possession or importation of high-risk agricultural pathogens or pests would be a Class III felony, punishable by up to four years in prison, two years of post-release supervision, a \$25,000 fine or both.

The offense could be elevated to a Class IIA felony if it involves concealment of the pathogen's origin, is committed on behalf of or funded by a foreign government or results in more than \$1 million in economic damage.

The bill also would exempt certain

sensitive infrastructure and cybersecurity information from the state's public records laws.

Bostar said the measure would better protect Nebraska's agriculture and critical infrastructure from emerging threats, including the intentional introduction of harmful pathogens and foreign adversary access to key infrastructure systems.

Several federal agencies, including the U.S. Department of Agriculture, have warned of such risks, he said, and the response to those threats should not fall solely on the federal government.

"It's all of our jobs to protect agriculture," Bostar said.

As introduced, the bill would have required companies that operate critical infrastructure to register with the state, limit foreign adversary access, conduct background checks and report cybersecurity incidents. It also would allow the attorney general to review or block certain foreign investments and impose civil penalties on noncompliant communications providers.

A Judiciary Committee amendment, adopted 29-11, removed those provisions and replaced the bill with a scaled-back version that retains the pathogen prohibition and public records exemptions for certain sensitive infrastructure and cybersecurity records.

Additionally, the amendment redefines key terms such as "foreign adversary" and "critical infrastructure" to clarify which entities and systems are covered, and would restrict contracts allowing foreign-linked entities to access or control those systems, with limited exceptions.

It also would authorize fines against telecommunications providers that fail to meet certification requirements and prohibit companies tied to foreign adversaries from receiving state tax incentives.

Lincoln Sen. Carolyn Bosn, chair-



Sen. Eliot Bostar

person of the committee, spoke in support of the amendment, saying it would address concerns raised by opponents of LB1096 while preserving the bill's intent to protect critical infrastructure and limit foreign adversary involvement in the state.

Sen. Tom Brandt of Plymouth raised concerns about the bill and questioned whether state action is the appropriate way to address bioterrorism and telecommunications issues that typically are dealt with at the federal level.

Allowing all 50 states to adopt their own policies could result in a confusing "hodgepodge" of laws that may complicate enforcement and compliance, Brandt said.

Lincoln Sen. Danielle Conrad opposed the measure, warning it could have unintended consequences similar to previous foreign adversary laws passed by the Legislature that have disrupted business incentives and affected companies with indirect foreign ties.

Additionally, she said, provisions limiting access to infrastructure-related information could weaken Nebraska's public records laws and "paint with too broad a brush," potentially reducing government accountability and transparency.

After adopting the committee amendment, senators voted 31-9 to advance LB1096 to select file.



### Natural Resources omnibus approved

Lawmakers gave final approval April 1 to a package of measures updating state environmental, safety and

energy regulations.

LB759, sponsored by Plymouth Sen. Tom Brandt, contains several changes requested by the state Department of Water, Energy and Environment, which was created last year by the merger of two agencies.



Sen. Tom Brandt

It adds the department's Chief Water Officer or his or her designated representative to the Water Well Standards and Contractors' Licensing Board and eliminates a public hearing requirement related to distributions from the Nebraska Litter Reduction and Recycling Fund.

The bill also allows the department to enter upon property to conduct surveys, investigations and other activities related to the siting and construction of the Perkins County Canal Project. The department must notify a landowner before entering onto their property.

As amended, LB759 also contains provisions of three other measures considered by the Natural Resources Committee this session.

The amended provisions of LB760, also sponsored by Brandt, transfer the authority to permit, license and inspect swimming pools, mobile home parks and recreation camps from the department to counties, cities, villages or local public health departments.

The measure requires local governments to adopt and enforce minimum sanitary and safety requirements for the equipment and operation of swimming pools that meet or exceed minimum requirements adopted by the department.

The amended provisions of Brandt's LB761 increase or modify fees for four programs overseen by the department.

Water well registration and permit fees increase from \$40 to \$200.

Additionally, the proposal modifies the fee structure for livestock waste control facility permits. The bill requires the department to ensure that fees are adequate to meet 30% of the previous fiscal year's program costs, rather than 20%.

Under the measure, a schedule of fees paid by hazardous waste generators will be based on an annual fee determined by the quantity of hazardous waste generated by weight or volume.

The fee schedule may not exceed the amount necessary for the department to pay for the direct and indirect costs of the regulation of hazardous waste management.

The measure also requires the department to collect application fees for National Pollutant Discharge Elimination System permits as well as annual fees for permit holders. The fees may not be more than the amount necessary to reimburse the department for administering applications or cover the cost of services provided.

The amended provisions of Brandt's LB1076 codify the authority of the Nebraska Oil and Gas Conservation Commission to take administrative action and impose penalties for actual or threatened violations of the Nebraska Geologic Storage of Carbon Dioxide Act.

Under the measure, any person who knowingly and willfully violates any provision of the act, makes any false statement in an application or falsifies a monitoring device used for compliance is guilty of a Class I misdemeanor.

LB759 passed on a vote of 36-12 and takes effect immediately.

### Battery storage measure amended, advanced to final reading

A proposed regulatory framework for privately developed battery energy

storage facilities advanced to the final round of debate March 31 after it was amended to impose additional requirements on certain data center operators.

LB1010, sponsored by Plymouth Sen. Tom Brandt, would require private developers to apply to the Nebraska Power Review Board before constructing or acquiring an energy storage resource.

As amended on general file, the bill includes a modified version of LB1111, sponsored by Sen. Machaela Cavanaugh of Omaha. The measure would allow public power suppliers to impose certain requirements on large data centers, including terms or conditions requiring data centers to pay the full cost of providing their electric service.

Cavanaugh introduced an amendment on select file that would require a data center owner or operator to cover the facility's decommissioning costs and enter into a community benefit agreement with communities affected by the data center.

Under such an agreement, Cavanaugh said, a community would commit to support or not oppose a data center project through the permitting and regulatory approval process in exchange for certain benefits, such as infrastructure improvements or child care services.

After voting 33-2 to adopt Cavanaugh's amendment, senators advanced LB1010 to final reading by voice vote.



Sen. Machaela Cavanaugh

## NEBRASKA RETIREMENT SYSTEMS

### Retirement cleanup bill amended, advanced to final round

Lawmakers amended and advanced a cleanup measure from select file March 31 related to Nebraska's public employee retirement systems.

LB820, introduced by the Nebraska Retirement Systems Committee, would amend various sections of state law governing state and county retirement plans administered by the Nebraska Public Employees Retirement Systems, the Public Employees Retirement Board and the Nebraska Investment Council.

During select file debate, Elkhorn Sen. Tony Sorrentino offered an amendment, adopted 39-0, to add the amended provisions of his LB433 to the bill. As originally introduced last session, that proposal would exempt state agency deputy directors and attorneys from the State Personnel System.

It also would amend the State Employees Retirement Act to provide that temporary state employees who previously were members of the state employees retirement system and return to state employment in less than 120 days would begin participation in the system within 30 days of returning as a temporary employee.

Finally, the measure would clarify that employees of the Legislature who are hired for a limited period of time, or for a grant-funded position or a special project, would be considered

temporary employees for purposes of the State Employees Retirement Act.

Sorrentino's amendment removed the provisions related to agency deputy directors and attorneys employed by the state. It would retain provisions related to returning employees and clarify the definition of temporary legislative employees for retirement purposes.

Sorrentino said the proposal would benefit multiple agencies by allowing them to rehire former employees on a temporary basis without requiring the current 120-day waiting period.

It also would allow for creation of a part-time, registered nurse pool across agencies that require medical care, he said, such as the state Department of Veterans' Affairs and the state Department of Correctional Services.

"The changes outlined in [the amendment] are expected to better support the workforce needs and operational efficiency of state agencies," Sorrentino said.

Lincoln Sen. Beau Ballard, chairperson of the committee, supported the amendment, saying the "pared down" version of LB433 would eliminate opposition to the original proposal from the Nebraska State Bar Association.

Following adoption of the Sorrentino amendment, lawmakers advanced LB820 to final reading by voice vote.

### School employee retirement changes approved

Lawmakers passed a bill April 1 that changes the bona fide separation period for school retirement plans in Nebraska.

Currently, members of the School Employees Retirement System and the Class V School Employees Retirement System must wait 180 days from the time of their separation from service before they can return



Sen. Tony Sorrentino

to the classroom, with exceptions for intermittent work as a volunteer or substitute employee at a school district or educational service unit.

LB824, introduced by Hastings Sen. Dan Lonowski, changes the required separation of service period for retirees to 120 days with no exceptions, beginning May 1.



Sen. Dan Lonowski

The measure passed 47-1 and takes effect immediately.

### Changes approved to judges' retirement system

Lawmakers gave final approval April 1 to a measure that makes several changes to the Nebraska Retirement Fund for Judges.

Sponsored by the Nebraska Retirement Systems Committee, LB1101 eliminates the state's contribution to the judges' plan beginning July 1.

The state contribution will continue to be reviewed by the actuary employed by the Nebraska Public Employees Retirement System for possible adjustment in the future based on the funded ratio on the actuarial value of plan assets.

LB1101 also makes two changes to member contributions. Beginning July 1, the contribution rate for all judges will be reduced from 10% to 9% of compensation. At 20 years of service credit, the contribution rate will reduce further to 5% of compensation.

Finally, the bill increases the maximum cost-of-living adjustment from 1% to 2.5% for judges who became plan members after July 1, 2015.

The measure passed 48-0 and takes effect immediately.

## REVENUE

### Revenue omnibus clears final round

A package of measures increasing state revenue received final approval from lawmakers April 1.

The Revenue Committee introduced LB901 as a shell bill. As amended, it contains provisions of five other proposals heard by the committee this session.

The provisions of LB873, sponsored by Syracuse Sen. Bob Hallstrom, impose a 10% state excise tax on the retail sale of kratom products beginning in 2027.



Sen. Bob Hallstrom

They also revise the Kratom Consumer Protection Act, which prohibits the sale of adulterated kratom products in Nebraska.

Hallstrom's measure prohibits the sale of any kratom product undergoing testing until the results verify that it is not adulterated. If an adulterated product is sold in violation of the act, the state Department of Revenue is required to remove it from the list of registered products on its website.

The amended provisions of LB890, sponsored by Sen. Stan Clouse of Kearney, update the Mechanical Amusement Device Tax Act.



Sen. Stan Clouse

The proposal increases the application fee for a cash device from \$500 to \$650 and the annual decal fee from \$250 to \$350, beginning in 2027. It also increases the cash device tax from 5% to 10% of net operating revenue.

The occupation tax on mechanical amusement devices that are not cash devices increases from \$35 to \$70.

The amended provisions of LB1109, introduced by Elkhorn Sen. R. Brad von Gillern at the request of Gov. Jim Pillen, repeal several sales and use tax exemptions, including those for sales of mineral oil



Sen. R. Brad von Gillern

applied to grain as a dust suppressant and biochips used in certain activities.

The measure removes waste treatment and disposal facilities from the list of locations eligible for tax incentives under the ImagiNE Nebraska Act.

It also sunsets a renewable energy tax credit effective July 1 and modifies a tax credit available under the Nebraska Advantage Research and Development Act so that it is no longer refundable.

The provisions of von Gillern's LB1110 expand the allowable uses of the Department of Revenue Enforcement Fund. They require the department to use money in the fund for the administration and enforcement of any activity or function administered by the state tax commissioner.

The measure also requires the department and the state Department of Health and Human Services to share confidential information about persons, businesses and state and local subdivisions with the other agency for the purpose of properly administering the law.

Finally, the proposal requires the state Department of Revenue to add a collection fee to delinquent tax claims as well as the actual costs incurred by the department in collecting the taxes.

The amended provisions of LB1131, sponsored by Lincoln Sen. Eliot Bostar, require the depart-

ment to distribute \$3 million annually in refundable, transferable state income tax credits to nonprofits that provide services to victims of domestic violence and human trafficking.



Sen. Eliot Bostar

To fund the credits, the measure repeals tax exemptions related to the assembly of certain data center equipment for use outside the state.

The department estimates that LB901 will increase total state revenue by \$26 million in fiscal year 2026-27 and \$30 million in FY2027-28.

The bill passed on a vote of 36-13 and takes effect immediately.

## TRANSPORTATION & TELECOMMUNICATIONS

### DMV cleanup measure amended, advanced to final round

A state Department of Motor Vehicles cleanup bill advanced to final reading March 31 after senators amended it to include a measure under which license plate fees would be used to support injured law enforcement personnel and Nebraskans with disabilities.

LB972, sponsored by Omaha Sen. John Fredrickson, includes changes requested by the DMV to improve customer service and protect against fraud.



Sen. John Fredrickson

As amended on general file, the bill also would require the department to issue several new types of alterna-

tive license plates, including Choice Color Plates, beginning in 2027. The license plates would have solid black, blue or green backgrounds with white characters.

Sen. Mike Moser of Columbus introduced an amendment on select file to include amended provisions of LB1092, sponsored by Lincoln Sen. Eliot Bostar. The amendment would eliminate the option for black Choice Color Plates and instead require the department to issue two additional types of license plates.

Moser said a portion of the fees from new Back the Blue License Plates would be credited to a cash fund administered by the Nebraska State Patrol. The agency would use the fund to provide grants to injured law enforcement personnel or the spouse or child of any injured or deceased law enforcement officer.

Grants also could be used to conduct charitable activity that supports Nebraska residents.

Blackout License Plates, which would have a solid black background with white characters, would have an application and renewal fee of \$100.

Seventy percent of the associated fees would be directed to the Department of Motor Vehicles Cash Fund, and 30% would be credited to a new cash fund administered by the state Department of Health and Human Services.

Moser said the department would use the fund to award grants to developmental disability service providers to improve their transportation fleets and infrastructure, as well as to increase capacity for additional clients.

To qualify for a grant, a provider must be under contract with the department to provide a specialized or assisted service.

Lincoln Sen. Beau Ballard supported the amendment, saying a

similar black license plate program in Colorado has raised millions of dollars for programs that help people with developmental disabilities.

Sen. Tom Brandt of Plymouth opposed the measure, saying the state should not use the DMV license plate program to raise money for another state agency.

“Pretty soon, you’re going to have all sorts of license plates out there doing this,” he said.

Senators voted 31-1 to adopt Moser’s amendment.

As amended on general file, LB972 also includes a modified version of Ballard’s LB1121. The measure would authorize the Nebraska Motor Vehicle Industry Licensing Board to issue licenses to dealers, manufacturers and distributors of new recreational vehicles and regulate franchise agreements between manufacturers and dealers.



Sen. Beau Ballard

Ballard introduced a select file amendment that he said includes updates agreed upon by the board, the Nebraska New Car and Truck Dealers Association and RV manufacturers and dealers.

Among other technical changes, he said, the amendment would ensure that state motor vehicle franchise laws do not apply to recreational vehicles.

The amendment was adopted on a vote of 38-0.

Kearney Sen. Stan Clouse introduced an amendment, adopted 38-0, to include provisions of his LB1005.

Under the proposal, all-terrain vehicles or utility-type vehicles could be operated within city or village limits between the hours of sunset and sunrise as long as their use is authorized by the city, village or county and they meet certain headlight and taillight

requirements.

After adoption of the amendments, senators advanced LB972 to final reading by voice vote.

## URBAN AFFAIRS

### Accessible housing measure expanded, advanced

A bill aimed at measuring Nebraska's accessible housing stock advanced to the final round of debate March 31 after lawmakers amended it to include a proposal that would require certain state-funded housing projects to include a minimum percentage of accessible units.

Under the Municipal Density and Missing Middle Housing Act, metropolitan, primary, and first class cities with a population of at least 20,000 are required to submit biennial reports to the Urban Affairs Committee.

The reports provide details on cities' efforts to address the availability of and incentives for affordable housing through zoning, ordinances and regulations.

Under LB839, introduced by Bellevue Sen. Victor Rountree, cities also would be required to report the number of multifamily housing units that have been designed and built within city limits in accordance with the federal Fair Housing Act's accessibility requirements since Jan. 1, 2021.

Rountree introduced an amendment on select file that he said would address concerns raised by Omaha officials, who are unsure they could



Sen. Victor Rountree

gather the required information. Under the revised measure, a city also could report the number of multifamily housing units that meet accessibility requirements under the 2018 edition of the International Building Code.

The amendment also would include amended provisions of two other bills sponsored by Rountree this session.

Omaha Sen. Kathleen Kauth offered a successful motion to divide the question and consider each measure contained in the amendment separately.

The first component includes the amended provisions of LB840. They would prohibit the state Department of Economic Development from approving a multifamily rental unit project for assistance from the Affordable Housing Trust Fund unless at least 10% of the project's units are accessible for people with mobility impairments and at least 4% are accessible for those with hearing or vision impairments.

Rountree said the proposed percentages are lower than those in the original measure, the result of a compromise with housing developers, cities and counties. He said many states have similar requirements to ensure that an adequate number of accessible housing units are built.

"While I understand the hesitancy to add any requirement to housing," Rountree said, "this small change will have a large impact for those in need."

Sen. Robert Dover of Norfolk opposed the measure, saying it would increase housing costs. He introduced an amendment, adopted 28-10, to remove the proposed requirements from Rountree's amendment.

Rountree then offered another amendment that he said is a further compromise with developers. It would reduce the minimum percentages of accessible units to 4% for people with

mobility impairments and 2% for those with hearing or vision impairments.

Rountree said this would match requirements for federally assisted new construction and substantial rehabilitation projects under the Rehabilitation Act of 1973.

Senators voted 27-9 to adopt the amendment and then 31-6 to adopt the revised first division.

Lawmakers then voted 36-1 to adopt the second component, which contains amended provisions of LB1041. As introduced, the measure would have required cities, villages and counties to allow the construction of at least one accessible dwelling unit on the same lot as a single-family residence.

The modified proposal, which Rountree said is a compromise with stakeholders, would require cities to report on their efforts to expand the use of ADUs, any obstacles to the construction of additional ADUs and areas where they are allowed by right.

"These units are seen as good candidates for those with disabilities or those who are looking to age in place in their home," he said.

The final component of the divided amendment, adopted 35-0, includes the proposed changes to LB839 as well as another provision originally included in the amended version of LB1041. It would require cities' biennial reports to include recommended actions the state could take to assist cities in the construction of affordable housing.

Following adoption of the amendments, senators advanced LB839 to final reading by voice vote.

### Municipal development measure expanded, advanced to final reading

An Urban Affairs Committee package advanced to the final round of de-

bate April 1 after lawmakers amended it to include a proposal that would allow Nebraska cities and villages of all sizes to create stand-alone land banks.

LB1135, introduced by the committee, would modify land bank membership and reporting requirements under the Nebraska Municipal Land Bank Act.

Land banks are tax-exempt political subdivisions that acquire, manage and develop vacant, abandoned and tax-delinquent properties.

As amended on general file, the measure would require the board of a land bank created by a single municipality to include at least one voting member who resides in a qualified census tract within the municipality, if there is one.

Omaha Sen. Terrell McKinney offered a select file amendment, adopted 37-0, that instead would require a board to include at least one voting member who resides in the city council district that includes a majority of the census tracts containing a certain percentage of people in poverty.

The provision would apply only to a land bank created by a metropolitan class city. Omaha is the state's only metropolitan class city.

As amended on the first round of debate, LB1135 includes provisions of four other bills considered by the committee this session, including McKinney's LB799.

The proposal would require a metropolitan class city, counties with a population of more than 500,000 and state agencies to submit an annual report to the materiel division of the state Department of Administrative Services that contains information on service contracts awarded during the prior year.



Sen. Terrell McKinney

The division would compile the information and submit it in an annual report to the governor, the Clerk of the Legislature and the committee.

McKinney introduced an amendment under which contracts would have to reach a certain value threshold before they would have to be reported, starting at \$70,000 or more for contracts entered into prior to Jan. 1, 2029.

The amendment, adopted 36-0, also would require the reports to be submitted beginning in 2028 rather than 2026, as originally proposed.

Sen. Robert Dover of Norfolk introduced an amendment to include a modified version of his LB811. The proposal would authorize all Nebraska municipalities to establish stand-alone land banks, something only primary and metropolitan class cities currently are allowed to do.



Sen. Robert Dover

Lincoln is the state's only primary class city.

Two other provisions in Dover's amendment would apply only to land banks not created by Lincoln or Omaha. The first would apply to property intended for residential development and would require a land bank to advertise the property for sale for 90 days after acquisition or until an offer is accepted.

Under the other provision, a land bank could include a contractual provision allowing it to reacquire the property at the original purchase price if construction has not commenced within a specified timeframe.

After adopting a technical amendment offered by Dover, senators voted 38-1 to adopt the underlying amendment.

Omaha Sen. Dunixi Guereca introduced an amendment to in-

clude provisions of his LB1250. They would allow primary, first and second class cities or villages to sell or transfer any waterworks, sewer system or water system to an Indian tribe under certain conditions.

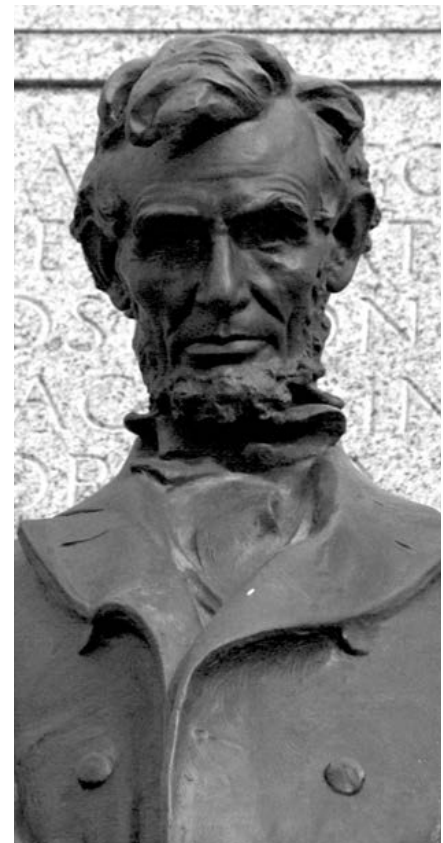


Sen. Dunixi Guereca

The infrastructure must be located entirely within the tribe's lands, the tribe's headquarters must be located in the city or village and the sale or transfer must be approved by city or village voters.

Guereca said the measure is intended to allow the village of Winnebago to transfer its water and sewer systems to the Winnebago Tribe of Nebraska.

After voting 43-0 to adopt Guereca's amendment, senators advanced LB1135 to final reading by voice vote. ■



# LEGISLATIVE PROCESS

**T**he lawmaking process in Nebraska officially begins when a bill is introduced. But the process actually begins much earlier, when senators formulate ideas for new laws. Anyone — concerned citizens, special interest groups, state agencies or the governor — may suggest an idea for a new law. But a senator, a group of senators or a legislative committee must introduce the idea before the Legislature

can formally consider it.

Legislative committees then consider each bill and may propose amendments to them before advancing them to the full Legislature. The legislative body then has an opportunity to debate a bill at least twice before voting on its final passage.

This is the process a bill must undergo before it becomes a Nebraska statute:

## Research

First, a senator and his or her staff research a problem and study possible legislative remedies. Senators may introduce bills to create new laws or to repeal or change existing laws.

Much research is done during the period between sessions called the interim. During this time, committees study a variety of issues that have been outlined in interim study resolutions passed by the Legislature.

## Drafting

A senator brings his or her idea for a new law to a bill drafter, who works with the senator to transform the idea into the proper legal form for a bill. Unlike some states, bills introduced in Nebraska must contain only one subject.

## Introduction

Most bills are introduced during the first 10 days of a regular legislative session, which begins each January.

To introduce a bill, a senator files it with the clerk of



*A legislative committee hearing*

the Legislature. The clerk reads the title of the bill into the record, assigns the bill a number and prints copies of it for public and legislative use.

## Committee Action

Except for a few technical bills, all bills and many resolutions must receive a public hearing before a legislative committee. A nine-member Reference Committee determines which bills will be heard by which committees, based on subject matter jurisdiction.

The Legislative Fiscal Office prepares budget statements known as fiscal notes for each bill

introduced. Fiscal notes generally are prepared before a committee conducts a hearing on a bill.

After the hearing, the committee may either indefinitely postpone the measure, hold it for further discussion or advance it to the full Legislature. The committee may forward recommended amendments to the bill if it is advanced.

## General File

General file is the first time the full Legislature can debate and vote on bills. At this stage, senators often consider amendments, which may be proposed both by committees and by individual senators. Many people consider general file to be the most crucial stage of the legislative process, because it is where most compromises are worked out through debate and amendment.

Bills on general file may be amended, indefinitely postponed, sent back to committee or advanced to the next stage. As with most legislative business, it takes a majority of senators (25 votes) to adopt any amendment or to move a bill from general file to the next stage.

After a bill is advanced from general file, it undergoes an initial process of enrollment and review, or E&R. During E&R Initial, adopted amendments are reviewed and the entire bill is checked for technical and grammatical accuracy.

## Select File

Select file is the second debating and voting stage. This stage offers another opportunity for amendment, compromise and reflection. Bills on select file may be amended, indefinitely postponed, sent back to committee or advanced to the next stage.

After a bill is advanced from select file, the bill and all of its adopted amendments are sent to enrollment and review final for a process called engrossment. Once all amendments are incorporated into the bill, it is considered to be “correctly engrossed.” The bill then is reprinted for final reading.

## Final Reading

Final Reading is the third and last stage of legislative consideration. The Nebraska Constitution requires the clerk of the Legislature to read every bill aloud in its entirety before the vote on whether to pass it. However, that requirement may be waived by a three-fifths vote (30 members) of the Legislature.

A bill may not be amended on final reading, but it may be returned to select file for specific amendment. No bill can be passed on final reading until at least five legislative days after the bill is introduced and one legislative day after it is placed on final reading.

## Governor

After the Legislature passes a bill on final reading, it goes to the governor. The governor has five days, excluding Sundays, to decide what to do with a bill.

If the governor signs a bill or declines to act on it, the bill becomes law. If the governor vetoes the bill, it is returned to the Legislature with the governor’s objections. A three-fifths vote of the Legislature is re-

quired to override a governor’s veto. The governor also may make reductions of specific figures in state budget bills. These reductions are line-item vetoes.

## Laws of Nebraska

Most bills passed and approved by the governor become law three calendar months after the Legislature adjourns. However, bills may take effect earlier if they contain an emergency clause or a specified operative date. An emergency clause allows a bill to take effect immediately after the governor signs it. It takes a vote of 33 members of the Legislature to pass a bill with an emergency clause. ■



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