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Legislative Report

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Session Shifts to Full Days of Floor Debate

Wednesday marked the mid-point of this year's legislative <u>session</u>. During the remaining 45 days, senators will engage in all-day floor debate, most often on senator, committee, and Speaker priority bills.

Speaker Mike Hilgers announced his list of Speaker priority bills on Wednesday. These include **LB271**, to allow counties to implement twice-a-day testing through a 24/7 sobriety program that would allow people charged with first-offense DUI to be eligible for diversion. A full list of Speaker, senator, and committee priority bills can be found here on the Legislature's website.

A series of consent calendars will also be used to advance non-prioritized, non-controversial bills. Only bills advanced out of committee with no dissenting votes are eligible for consent calendars. Debate on consent calendar bills is limited to 15 minutes.

The Appropriations Committee tentatively plans to send the state budget to the floor next Thursday for debate the following week. The preliminary report that was issued in February is available here. The most current plan would increase property tax relief by more than \$500 million over the biennium. The budget must be placed on General File by the Appropriations Committee no later than the 70th day of the session. The Nebraska Economic Forecasting Advisory Board will meet in late April to analyze economic data and project how much General Fund revenue the state will collect from various taxes and can be spent by the Legislature.

Inheritance Tax Bill Advanced by Revenue Committee

Committees continued to send bills to the floor of the Legislature this week, including <u>LB310</u>, a measure that would reduce inheritance tax collections by counties. As introduced, the bill proposes a formula to lower inheritance tax rates and increase exemption amounts through 2024, then annually reduce the exempt amount. The losses to counties under this formula would be significant. A

Revenue Committee <u>amendment</u> would make a one-time adjustment to rates and exemptions and require county treasurers to report data on the beneficiaries. While counties would experience a loss of revenue under the amendment, the impact would be much less than under the bill as introduced. LB310 did not receive a priority designation but could be amended into another bill.

Another bill advanced by the Revenue Committee, <u>LB2</u>, would reduce the valuation of agricultural and horticultural land to 30 percent of actual value for taxes levied by school districts to pay the principal and interest on bonds, beginning January 1, 2022. A Revenue Committee <u>amendment</u> would change the rate to 50 percent of actual value and increase the minimum amount of relief granted under the Property Tax Credit Act by 3 percent per year. The minimum annual distribution is currently set at \$275 million. Senator Tom Briese introduced and prioritized LB2.

A separate bill to reduce the valuation of ag land for school bonds, <u>LB454</u>, remains in committee and was prioritized by Senator Curt Friesen. LB454 would reduce the valuation to 55 percent of actual value and create a stabilization fund for schools whose property tax needs exceed other state funding.

The committee also advanced <u>LB313</u>, which would allow for a late filing for a homestead exemption in the year in which the property owner's spouse died. NACO supported the bill and worked with the committee on an <u>amendment</u> to clarify the late application date and processes for counties to remove approved applications from the tax rolls if they have become delinquent. LB313 was not prioritized.

Bills Advanced by Other Committees

The Appropriations Committee advanced a bill introduced by Senator Myron Dorn, a former Gage County Supervisor, that would provide state funding to counties subject to a federal judgment. **LB103**, as introduced, would appropriate \$2 million in FY21-22 and FY22-23 to counties with a federal judgment in excess of \$25 million if the total cost of the judgment exceeds 20 percent of the county's annual budget. A committee **amendment** would increase the appropriation to \$5 million and would add a requirement for the county to set its property tax levy at the maximum for each year it receives aid. Senator Dorn designated LB103 as his personal priority bill.

LB579, which was designated by Senator Mike Moser as his priority bill, would state an intent to appropriate \$70 million to the Department of Transportation to repair damage to the infrastructure of highways, roads, and bridges damaged by the 2019 flood and for the Department to apply for federal emergency funds to reimburse the state General Fund for such expenditures.

The Transportation and Telecommunications Committee reported out <u>LB215</u>, one of its priority bills. LB215 would strike exceptions for Douglas County for telephone surcharges to pay for 911 services. Existing law authorizes all counties to charge 50 cents per landline. All counties except Douglas County can also charge an additional 50 cents per line. The maximum surcharge on wireless phones is 70 cents, except in Douglas County where the cap is 50 cents. The wireless rate is set by the Public Service Commission, which collects and distributes the funds.

Virtual Meeting Authority Advanced from First Round

On a 48-0 General File vote, senators advanced <u>LB83</u>, a bill to allow counties and other public bodies to meet virtually in emergencies. In March 2020, shortly after the pandemic began, Governor Ricketts issued Executive Order <u>20-03</u> to allow public bodies to meet virtually. The Order was revised and extended by Orders <u>20-24</u>, <u>20-34</u>, <u>20-36</u>, and <u>21-02</u>, which continues through April 30. LB83, as amended by a Government, Military and Veterans Affairs Committee amendment, would ratify actions taken under the Orders and codify the actions that can be taken in the event of an emergency or under a state of emergency declared by the governor.

LB83 would allow emergency meetings to be held by virtual conferencing. Virtual conferencing is defined in the bill as conducting or participating in a meeting electronically or telephonically with

interaction among the participants. Existing law allows emergency meetings to be held by means of electronic or telecommunications equipment.

When an emergency has been declared by the governor, public bodies within the jurisdiction of the emergency declaration could hold regular meetings by virtual conferencing. Reasonable advance publicized notice, including information about how the public and news media could access the meeting through a dial-in number or link to a virtual conference, would be required. Links would need to be provided to electronic copies of the agenda, all documents to be considered at the meeting, and the current version of the Open Meetings Act.

Counties over 25,000, school districts, natural resources districts, and certain cities would have to place agendas on their websites at least 24 hours prior to the meeting and post meeting minutes within 10 working days. The information would have to be maintained on the website for six months.

Public bodies' authority to make and enforce reasonable rules and regulations regarding the conduct of persons attending, speaking at, videotaping, broadcasting and recording its meetings would be expanded to include meetings held by virtual conferencing. Persons speaking at public meetings would be required to identify themselves with their name, address, and name of any organization they represent unless the address requirement is waived to protect the security of the individual.

Senators discussed how board members participating remotely would be counted toward a quorum and whether they could vote virtually. LB83 was introduced by Senator Mike Flood and prioritized by the Government, Military and Veterans Affairs Committee.

Bills Advanced from General File

General File floor debate this week focused on a handful of priority bills. **LB88**, a bill to protect the speech of student journalists and media advisors, was debated for eight hours on Wednesday and Thursday before being advanced following a cloture motion ended debate. According to the rules of the Legislature, when a cloture motion is made, the presiding officer must determine whether full and fair debate as been afforded to the bill. Speakers of the Legislature have typically set an hour threshold at which this occurs. Speaker Hilgers has set the threshold at eight hours of debate on General File.

Senators also advanced <u>LB285</u>, an election omnibus bill. The bill would move the first day for candidates to file for office from December 1 to January 5. The filing deadlines of February 15 for incumbents and March 1 for all other candidates would not be changed. The bill would allow the Secretary of State to link to a nongovernmental entity to share voter registration information. Thirty states are members of <u>ERIC</u> (Election Registration Information Center), which compares voter registrations and other records across state lines to improve the accuracy of the registration records. A Government, Military and Veterans Affairs Committee <u>amendment</u> was adopted to clarify the purpose of the membership and add an annual report to the Legislature about the membership. The amendment would clarify language prohibiting posting, displaying, or making a list of registered voters accessible on the Internet. A technical amendment is expected to be offered on Select File.

LB371 that would allow gambling to take place at licensed racetracks during times when a county fair or state fair is operating was advanced from General File on Tuesday. This would apply to events in Hastings, Columbus and Grand Island. Proponents said the bill would reconcile voter approval of expanded casino gambling last November with existing law. Opponents expressed concerns about expanded gambling in a family-centered environment.

Bills Signed by Governor Ricketts

Governor Pete Ricketts signed 15 bills into law on March 17. They include:

LB174 modernizes Department of Transportation laws and changes licensing laws for county highway superintendents and city street superintendents, such as combining licenses for persons holding multiple licenses of various classes. It increases the threshold for reporting damages from a motor vehicle accident by a peace officer or vehicle operator from \$1,000 to \$1,500. If a peace officer investigates a crash, the operator would not have to file a report.

<u>LB25</u> implements Amendment 2, which was approved by voters last year. It extends the maximum duration of tax increment financing projects from 15 years to 20 years if more than half of the property is designated as extremely blighted. The bill carries an emergency clause.

<u>LB532</u> revises unclaimed property laws. It strikes the authority to report amounts of less than \$25 in the aggregate. Instead, persons holding abandoned property will report it when the cumulative value is \$50 or more.

LB23 updates the Real Property Appraiser Act to maintain compliance with federal law. It carries an emergency clause.

LB149 is an annual update of motor vehicle statutes from the Nebraska State Patrol and the Department of Motor Vehicles to maintain compliance with federal laws.

LB4 increases tuition assistance benefits for Nebraska-based military reservists at state-supported colleges, community colleges, and universities.

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