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Legislative Report

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Senator Groene Resigns, Mike Jacobson Appointed

On Wednesday, Governor Pete Ricketts appointed <u>Mike Jacobson</u> of North Platte to fill the vacancy that was created in District 42 following the resignation of Senator Mike Groene. District 42 covers all of Lincoln, Logan, McPherson, Hooker, and Thomas counties and part of Perkins County.

Session Reaches Midpoint

Wednesday marked the 30th day of the 60-day <u>session</u>. Public hearings on bills <u>introduced</u> in 2022 will conclude next week and full days of floor debate will begin on March 8. The session will adjourn on April 20.

Next week, senators will use a consent calendar to vote on advancement of non-controversial bills on **Monday**. Debate on Tuesday and Wednesday will focus on priority bills that are not expected to be filibustered. On Thursday, two Banking, Commerce and Insurance Committee priority bills, **LB707** and **LB863**, will be scheduled for debate.

Debate This Week

Senators wrapped up a first-round filibuster of an income tax cut bill, <u>LB939</u>, and advanced the bill on Thursday morning. On Friday, the Legislature passed <u>LB700</u>, a bill that makes mostly technical changes to the state-administered retirement plans, and <u>LB906</u> that would require the Department of Health and Human Services to develop a vaccine exemption form for an individual to claim an exemption from receiving a COVID-19 vaccine. Employers granting the exemption could require the employee to be tested periodically for COVID-19 or wear personal protective equipment, or both, each at the employers' expense.

Other bills were advanced from General File, the first round of debate. <u>LB1241</u> would increase recruitment opportunities and encourage retention of law enforcement officers. The bill, as amended,

would streamline the process to recruit qualified officers from other states by creating reciprocity and physical fitness tests. An amendment that would pull concepts from <u>LB1270</u> will be incorporated on Select File. LB1270 would create a grant program to provide incentive payments for officers based on the number of years they have served.

LB717, which would amend the In the Line of Duty Compensation Act, also advanced from General File. It would create a \$250,000 death benefit for public safety officers killed in the line of duty. These officers include law enforcement, fire fighters, emergency medical service squads, and correctional officers employed by jails or the Department of Correctional Services. When the Act was enacted last year, the benefit was set at \$50,000.

Another bill advanced from General File would give authority to the Department of Agriculture to assist local emergency management agencies with catastrophic livestock disease emergency planning and response in the event of a high animal mortality incident, such as an outbreak of avian flu. A technical amendment was adopted before <u>LB848</u> advanced that would make the Department the lead agency for such incidents.

Appropriations Committee Hears Request for 911 Funding

This week the Appropriations Committee heard a request for \$50 million in ARPA (American Rescue Plan Act) funds to be divided among the state's 68 public safety answering points. The funds would be used for equipment upgrades, hiring and training. Senator Mike McDonnell introduced **LB1194** on behalf of **Region 26**, an emergency management region serving Blaine, Garfield, Greeley, Loup, Sherman, Thomas, Valley, and Wheeler counties. The region, which covers more than three million acres, answers 911 calls and dispatches for 12 law enforcement agencies, 16 ambulances, and 21 fire departments. County board members, law enforcement, volunteer firefighters, NACO and the Public Service Commission testified in support of the bill. They discussed the increased number of calls during the summer from tourists who expect the kind of emergency responses available in more populated areas. They spoke about the need to upgrade existing consoles that use copper wiring to fiber so that it can accommodate the next generation of 911, including texting and video calls. The upgrades are expected to cost over \$500,000. Revenues from landline and cell phone surcharges cover about 10 percent of operational costs of the region; the rest is borne by local property taxpayers.

The committee also heard <u>LB1199</u> that would appropriate \$25 million of ARPA funds for portable and mobile radios for volunteer fire departments and rescue squads. The radios would be interoperable with the Statewide Radio System. Another bill heard on Wednesday, <u>LB760</u>, would appropriate \$5 million of ARPA funds for grants to licensed emergency medical services programs for one-time purchases of equipment, including ambulances, power cots, defibrillators, and other lifesaving equipment.

Hearings Held This Week

Homestead Exemptions

State reimbursements to property taxing entities for homestead exemptions would be capped at \$100 million under a bill heard by the Revenue Committee on Thursday. If applications for exemptions exceed \$100 million, the Tax Commissioner would proportionately reduce the amount distributed to each county for distribution to taxing entities. NACO, along with the League of Nebraska Municipalities and the OpenSky Policy Institute, testified in opposition to **LB995**. Committee members noted that the state reimbursement amount typically increases about two percent annually but is expected to increase by as much as eight percent under current inflation factors. An interim study may be introduced to examine ways to slow down increasing state appropriations for homestead exemptions without harming local subdivisions' budgets or reducing the amount received by applicants.

At the same hearing, the committee heard two bills relating to homestead exemption application procedures for veterans. <u>LB1080</u> would allow permanently disabled veterans to apply every five years, rather than on a yearly basis. <u>LB1020</u> would eliminate periodic applications as long as the owner continues to live in the home and their disability status has not changed. The two bills may be combined so that there is a periodic verification that the applicant still occupies the home.

Senator Jen Day prioritized a separate bill to expand a homestead exemption to veterans who are at least 50 percent disabled due to a service-related disability as determined by the U.S. Department of Veterans Affairs. Under <u>LB853</u>, veterans with a greater percentage of disability would receive a higher percentage exemption. The committee sent the bill to the floor with a technical cleanup amendment.

On Wednesday, the committee heard a bill that would eliminate inheritance taxes as part of a plan by Blueprint Nebraska, a broad coalition of industry, banking, and agricultural leaders. **LB1264** would also change sales and income tax rates and exemptions. NACO testified in opposition to the elimination of inheritance taxes. The bill was not prioritized and is not likely to be debated as a whole this year.

The committee heard <u>LB1005</u> that would require purchasers of tax sales certificates to mail a copy of published notice to the owner of record within five days. Existing law requires investors seeking a tax deed or foreclosure to attempt notice by personal service and certified mail before publishing notice. This bill is based upon the dissent in a Nebraska Supreme Court case decided last year that recommended mailing a copy of the published notice. An amendment was suggested to extend the mailing date to ten days. The committee did not report any action on the bill.

Sanitary Improvement District Election Cleanup

Senator Matt Hansen introduced a bill on behalf of NACO to clean up redundant language related to sanitary and improvement district (SID) elections. Existing law duplicates language for elections held six years and eight years after SIDs are formed. LB727 would eliminate this duplication. The Urban Affairs Committee advanced the bill to General File and it may become part of a committee priority bill.

The Urban Affairs Committee also heard <u>LB1108</u> that would allow certain SIDs to enact ordinances regulating fireworks, subject to county board approval. Although many SIDs look like or are adjacent to cities, they have no regulatory or enforcement authority. No one spoke in support of the bill.

Ranked Choice Voting Bill

City and village elections with more than three candidates would be conducted by ranked choice voting under a bill heard by the Government, Military and Veterans Affairs Committee. Proponents of LB793 said the process of voters ranking candidates in order of their preference would allow voters whose first choice doesn't receive a majority of votes to have a say in their second or third choice. NACO and the Secretary of State's office testified in opposition to the bill.

The committee also heard a bill that would move Arbor Day to November in even-numbered years so that Election Day would be a holiday. NACO testified in opposition to <u>LB965</u> noting that not all counties treat Arbor Day as a holiday and those that do would have to pay overtime or holiday pay for election staff in offices of county clerks and election commissioners as well as jails and sheriffs' office that operate on a 24-hour schedule.

Next week the committee will hear bills to prohibit counting ballots until after the polls close on Election Day (<u>LB1123</u>), require the Secretary of State to inspect vote counting devices (<u>LB1121</u>) and require special pockets for identification documents on mailed ballots (<u>LB1181</u>).

Next week marks the final week of hearings on bills introduced during this session. The Appropriations Committee will hear <u>LB1138</u> that would appropriate \$15 million of ARPA funds to local public health departments. The first \$10 million would be used for one-time infrastructure needs and other costs and the remaining \$6 million would be distributed to local public health departments to be used as premium pay for their employees. The committee will also hear <u>LB1141</u> that would appropriate \$3 million of ARPA funds for the Commission on Public Advocacy for legal representation of indigent clients in matters of domestic violence, eviction, and other civil cases exacerbated by COVID.

The Health and Human Services Committee will hear <u>LB859</u> that would require city-county health department to obtain approval from the Department of Health and Human Services before issuing directed health measures.

On Wednesday, March 2, the Revenue Committee will hear <u>LB1250</u>, a bill to make clarifications and technical amendments to last year's bill requiring personalized postcards to be sent to property owners when tax askings change. The committee will also hear <u>LB972</u> that would permit special valuation to apply to subdivided agland that is located within city limits and <u>LB1115</u> that would require under-utilized tax exempt property to show evidence of development within three years.

On March 3, the Judiciary Committee will hear <u>LB1223</u> that would require the state to reimburse counties that continue to hold defendants after they have been ordered to a state facility to restore their competence.

Priority Bills

The final senator and committee priority bills were designated on Tuesday. These bills, as well as noncontroversial measures addressed through a consent calendar process, will make up the bulk of the bills that will be debated during the second half of the session. These bills often form the base of a "Christmas tree" that other bills are amended onto. One of these Christmas tree bills is **LB750**, a Transportation and Telecommunications Committee priority that includes bills to determine responsibility for the repair of damaged approaches to state highways (**LB913**), clarify the distribution of funding for 24/7 sobriety programs (**LB1022**), and increase the cycle for license plate issuance to every ten years (**LB1259**).

Here are some of the priority bills that could affect counties, listed by bill number, introducer, description, prioritizer and status.

Senator Priority Bills

<u>LB310</u> (Clements) Change inheritance tax rates, inheritance tax exemption amounts, and individuals who are considered relatives of a decedent - Clements - Signed into law

<u>LB353</u> (Lathrop) Appropriate funds to the Department of Correctional Services for a community corrections facility - Lathrop - In committee

LB717 (Morfeld) Change the amount of compensation under the In the Line of Duty Compensation Act – Pansing Brooks - Select File

<u>LB723</u> (Briese) Change provisions relating to the calculation of tax credits under the Nebraska Property Tax Incentive Act - Murman - Select File

<u>LB773</u> (Brewer) Provide for carrying of concealed handgun without a permit and prohibit regulation of such carrying by cities, villages, and counties - Brewer - In committee

<u>LB825</u> (Lindstrom) Change provisions relating to the taxation of benefits received under the federal Social Security Act - Lindstrom - Select File

LB833 (Pahls) Change the statute of limitations on certain civil actions for sexual assault of a child – Pahls - In committee

LB853 (Day) Provide a homestead exemption for certain disabled veterans – Day - General File

<u>LB921</u> (Lathrop) Change where sentences of imprisonment are served – J. Cavanaugh - In committee

LB1010 (Geist) Require information to be included in the Nebraska Criminal Justice Information System and accessible to law enforcement - Geist - In committee

<u>LB1241</u> (Lathrop) Change provisions relating to law enforcement officer training and certification - DeBoer - Select File

LR263CA (Blood) Constitutional amendment to require the Legislature to reimburse political subdivisions as prescribed - Blood - General File

LR264CA (Erdman) Constitutional amendment to prohibit the imposition of taxes other than retail consumption taxes and excise taxes - Erdman - General File

Committee Priority Bills

<u>LB700</u> (Kolterman) Change provisions relating to public retirement systems - Nebraska Retirement Systems Committee - Passed

<u>LB750</u> (Friesen) Change provisions relating to transfer-on-death motor vehicle certificates of title, the Motor Vehicle Certificate of Title Act, the Motor Vehicle Registration Act, the Motor Vehicle Operator's License Act, and the International Fuel Tax Agreement Act - Transportation and Telecommunications Committee - General File

<u>LB805</u> (Hughes) Change provisions relating to prioritization of applications and intent to appropriate funds under the Noxious Weed Control Act - Agriculture Committee - General File

<u>LB843</u> (Brewer) Change provisions relating to elections - Government, Military and Veterans Affairs Committee - In committee

<u>LB920</u> (Lathrop) Change criminal justice provisions including offenses, sentencing, set asides, restitution, pretrial diversion, and parole; provide for benefits under the Rural Health Systems and Professional Incentive Act; create criminal justice pilot programs; terminate an oversight committee; and create a task force - Judiciary Committee - In committee

LB1014 (Hilgers) Appropriate Federal Funds allocated to the State of Nebraska pursuant to the federal American Rescue Plan Act of 2021 - Appropriations Committee - In committee

<u>LB1144</u> (Friesen) Change provisions relating to the Nebraska Telecommunications Regulation Act and the Nebraska Broadband Bridge Act - Transportation and Telecommunications Committee - In committee

The Speaker is authorized to designate 25 speaker priority bills. Here are some of the priority bills that could affect counties.

<u>LB344</u> (Friesen) Change provisions of the One-Call Notification System Act and create the Underground Excavation Safety Committee - General File

<u>LB661</u> (McDonnell) Prohibit assault on a public transportation driver and clarify provisions relating to assault on officers, emergency responders, certain employees, and health care professionals - General File

LB840 (Brewer) Change provisions relating to publication and rates for legal notices - General File

LB998 (Wayne) Change provisions of the Municipal Inland Port Authority Act - General File

LB1016 (Walz) Provide for public-private partnerships under the Transportation Innovation Act - In committee

LB1065 (Wayne) Change provisions of the Community Development Law relating to redevelopment plans receiving an expedited review - General File

LB1246 (Pansing Brooks) Require confidentiality for victims of sexual assault and sex trafficking in criminal proceedings prior to the filing of charges - General File

LB1273 (Bostar) Provide an income tax deduction to retired law enforcement officers for health insurance premiums - General File

<u>LR283CA</u> (Bostar) Constitutional amendment to authorize any city, county, or other political subdivision that operates an airport to expend revenue for developing regularly scheduled commercial passenger air service at the airport - General File

Hearing Schedule

Every bill introduced by the Legislature is the subject of a public hearing. Following is a schedule of bills that are of interest to counties. Hearings will conclude on March 3.

Note that bills not appearing on this list may be heard during the same hearing. A complete list of hearings is available on the Legislature's website. Click here for tips about testifying at a hearing and this session's procedures for providing input.

Monday, February 28

Business and Labor Committee

Room 1003 - 1:30 PM

LB815 (McKinney) Adopt the Diaper Changing Accommodation Act

Tuesday, March 1

Appropriations Committee

Room 1524 - 1:30 PM

<u>LB1138</u> (Vargas) Appropriate federal funds to the Department of Health and Human Services for local public health departments

Wednesday, March 2

Appropriations Committee

Room 1003 - 1:30 PM

LB1141 (Vargas) Appropriate federal funds to the Commission on Public Advocacy for legal representation for indigent clients

Government, Military and Veterans Affairs Committee

Room 1507 - 1:30 PM

<u>LB1181</u>(Groene) Change provisions relating to required identification documents for registering to vote and voting and procedures for early voting

LB1123 (Erdman) Change procedures for counting ballots under the Election Act

LB1121 (Albrecht) Require inspection of vote counting devices under the Election Act

Health and Human Services Committee

Room 1510 - 1:30 PM

LB859 (Clements) Require city-county health departments to obtain approval for directed health measures

Revenue Committee

Room 1524 - 1:30 PM

LB972 (Hansen, M.) Change provisions relating to agricultural or horticultural land receiving special valuation

LB1115 (McKinney) Require the development of certain property in order for the property to retain its property tax exemption

LB1250 (Hansen, B.) Change provisions relating to joint public hearings and postcards under the Property Tax Request Act

Thursday, March 3

Judiciary Committee

Room 1113 - 1:30 PM

LB1223 (Hansen, M.) Require reimbursement for lodging certain defendants in county jails and require state hospitals to maintain beds for certain patients

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