

# NACO Legislative Report



January 26, 2024

[Video Report](#)

## Committee Hearings Begin

The Legislature's [standing committees](#) began holding public hearings on new bills this week. All bills are assigned to a committee that takes [input](#) from what is commonly called the second house – the people of the State of Nebraska. These hearings will be held in the afternoons through the end of February. In the mornings, the Legislature will hold floor debate on bills that have been advanced by the committees.

On Thursday, Nebraska Supreme Court Chief Justice Mike Heavican presented his annual [State of the Judiciary](#) address. In addition to discussing changes to probation and the benefits of problem solving courts, he outlined technology changes being implemented by the judicial branch. The Supreme Court is outfitting each courtroom with state-of-the-art equipment to facilitate better access to justice. Historically, counties have paid for these upgrades.

## Property Tax Package Hearings Next Week

The Revenue Committee will hear the main bills comprising Governor Jim Pillen's property tax relief package next week. Although the discussion began with his selection of a working group to look at property valuations, the focus changed to limiting property taxes levied by local governments and mechanisms for replacement revenue.

On Friday, February 2, the Revenue Committee will hear the two main property tax components: [LB1414](#) and [LB1415](#). LB1414 would cap property taxes and make changes to restricted funds. NACO, in partnership with the League of Nebraska Municipalities, has offered an amendment which our association could conditionally support so long as direct property tax relief is provided, the package stays intact, and inheritance tax is untouched. The committee will also hear LB1415 that would provide state funding directly to counties, cities and schools to offset property taxes. As the bill was introduced, counties would receive \$437 million.

Proposals to eliminate sales tax exemptions and increase the sale tax rate will be heard on Thursday, [February 1](#). The new revenue would be used to provide the funding for property tax relief.

On Wednesday, January 31, the committee will hear [LB1241](#), a bill that would freeze county revenue by decreasing levies by the percentage of valuation growth. Although LB1241 is not part of the property tax package, the bill is also intended to provide property tax relief. In addition, the committee will hear [LB1318](#) that would change the growth calculation in the refundable income tax credit and [LB1397](#) that would exclude land used for commercial purposes, specifically solar or wind farms, from treatment as agricultural land.

All hearings will be conducted in Room 1524 of the State Capitol, beginning at 1:30 p.m.

# Public Records Changes Advanced

[LB43](#), a Government, Military and Veterans Affairs [priority bill](#), was amended to include several public records bills and advanced from the first round of debate this week. Language from last year's [LB366](#) would change the amount of time public entities must spend without charging for their work when fulfilling public records requests. For Nebraska residents and all media, regardless of location, the actual added cost for public records could not include employees' salaries for eight cumulative hours of searching, identifying, physically redacting, or copying public records. For nonresidents, the actual added cost could be charged for the entire amount of time. Currently the time is set at four hours and there is no distinction between residents and nonresidents.

Other bills amended into LB43 include [LB650](#) that would allow cybersecurity records to be withheld from public disclosure. Concepts from [LB297](#) would prohibit state and local government agencies from disclosing information about donors to nonprofit corporations.

Much of the debate on the committee amendment focused on the First Freedom Act that was originally proposed in [LB277](#). It was intended to protect the free exercise of religion and defines tribal regalia. A pending amendment was withdrawn for further revisions and will be debated on Select File.

The underlying bill, LB43, would change the burden of proof in hearings conducted under the Administrative Procedures Act.

## Hearings Held This Week

### Transportation and Telecommunications Committee

Broadband issues and the length of straight trucks were two of the issues heard in Transportation and Telecommunications Committee hearings this week. [LB900](#) would allow straight trucks to be 45 feet in length, rather than the current length of 40 feet. Proponents said that the standard in all surrounding states is 45 feet or longer.

County officials and NACO testified in support of two broadband bills. [LB1031](#) would clarify that broadband speeds should be 100 megabits per second. [LB 865](#) would require broadband providers to submit detailed reports to the Nebraska Broadband Office about each internet service plan they provide.

The committee also took testimony on [LB1004](#), a bill to clarify provisions of last year's bill repealing motorcycle helmet laws.

### Government, Military and Veterans Affairs Committee

County officials and NACO testified in support of [LB938](#), a bill to increase the dollar amounts that trigger competitive bidding requirements, at a Government, Military and Veterans Affairs Committee hearing on Thursday. Currently, purchases of personal property with a value exceeding \$50,000 must be competitively bid. The bill would increase the triggering amount to \$70,000 in 2025, \$90,000 in 2029 and \$110,000 in 2034. The amounts were last increased in 2018. Corresponding changes would be made to amounts subject to informal bidding and the disposal of surplus property and mobile equipment. These proposed changes would enable the Act to reflect increased costs over time without requesting legislative changes for each amount. The bill would clarify that counties could make purchases or dispose of surplus property at auctions. LB938 was introduced on NACO's behalf by Senator Tom Brandt.

The full body of the Legislature addressed state bidding issues on Monday when they gave first-round approval to [LB461](#). The bill would amend the general bidding sections that apply to purchases by the state, counties, cities, schools and other entities. New language would allow opened bids to be withheld from disclosure until an intent to award is issued. It would eliminate a narrow resident bidder preference that is given to nonresident bidders from states which give preference to a bidder from that state. The preference is only given when bids must be awarded to the lowest responsible bidder. The bill was introduced and prioritized by Speaker John Arch.

Also at the public hearing on Thursday, the Government Committee heard county officials and NACO speak in support of [LB940](#) that would specifically authorize counties to provide funding for services for survivors of domestic violence or sexual assault. An audit last summer raised questions about the documentation needed for such funding.

Additionally, counties testified in support of [LB936](#) that would repeal county authority to issue permits for bowling alleys, roadhouses, carnivals and other recreational activities. The permit authority and fees amounts were last amended in 1977.

## Revenue Committee

County assessors would be required to inspect each parcel of real property every year, rather than every six years, under a bill heard by the Revenue Committee on Friday. [LB949](#) would allow these inspections to be conducted electronically. County officials and NACO testified in opposition, pointing out that IAAO (International Association of Assessing Officers) standards require a physical inspection before virtual inspection can be used. In rural areas, counties often spread the cost for pictometry over several years to help level out the costs. Senator Lou Ann Linehan introduced the bill as a way to limit large valuation increases after reappraisal every six years.

## Hearings Scheduled for Next Week

### Mileage Fees and Section Line Roads

On Friday, February 2, the Government, Military and Veterans Affairs Committee will hear [LB1162](#), a bill to codify current practices for mileage reimbursement to sheriffs who are using a county vehicle to serve civil process. The bill would require these fees to be paid to the county treasurer when they are collected. Under existing law, sheriffs must pay these fees when they are earned, even though they have not yet been collected. Senator John Lowe introduced the bill at NACO's request.

The committee will also hear [LB1174](#) that would allow county boards to abandon section line roads by resolution without a traffic study.

In addition, the committee will hear [LB1018](#) that would prohibit public entities, including counties, from requiring employees to hold a postsecondary degree in positions where employment and life skills provide comparable qualifications.

### Restricted Plants

On Tuesday, January 30, the Agriculture Committee will hear [LB831](#) that would create a category of restricted plants that could not be sold in Nebraska. The Department of Agriculture would designate these plants and counties would enforce compliance. Senator Carol Blood, the introducer, has offered an [amendment](#) to LB831 that would replace the introduced language with guidance for the Department of Agriculture to designate weeds as noxious due to their detrimental effect on crops, livestock, the ecology of the state, or the welfare of the state's residents.

The committee will also hear [LB828](#), a bill to update the Nebraska Apiary Act and create a pollinator task force. A member of a noxious weed control association would serve on the group. It would examine methods to recover and prevent losses of pollinators in the state.

### Elections

On Wednesday, January 31, the Government, Military and Veterans Affairs Committee will hear a bill that includes an amendment that was agreed to but not adopted when voter ID legislation passed last year. [LB1192](#) also contains election cleanup proposals that would specify the number of times voter lists may be provided at no cost, create a framework for special elections to fill a vacancy, and other issues.

A separate bill, [LB861](#), would change procedures for persons to withdraw their name from a petition or referendum after they have signed it. The bill provides for submission of a letter instead of a signed and sworn affidavit. An [amendment](#) has been filed to require the Secretary of State, election commissioner or county clerk to verify the signature in the letter with the signature appearing in voter registration records.

## Tort Claims and Eminent Domain

The sovereign immunity provided under the Political Subdivisions Tort Claims Act would not apply to claims arising from the death or serious injury of a prisoner in a detention facility under [LB1192](#). Last year, counties opposed a similar measure, [LB325](#). Civil remedies are already available for such claims, including federal protections. The Judiciary Committee will hear LB1192 on February 2.

The committee will also hear [LB1366](#) to require good faith negotiations before using eminent domain. Counties, cities and villages would be prohibited from taking property through eminent domain unless a majority vote of the governing body approves. Private entities would be prohibited from using eminent domain for pipelines unless the route is approved by the Public Service Commission or a majority vote of the local governing body approves the taking. When property is no longer used or necessary for the public use, the condemnee would have the right to obtain the title or interest for the amount of the condemnation award.

## Committee Hearings Scheduled

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 in the coming weeks. Other bills not shown here may be heard at the same hearing. A complete list of [hearings](#) is available on the Legislature's website. For tips about testifying at a hearing, click [here](#).

### Tuesday, January 30

#### *Agriculture Committee*

Room 2102 - 1:30 PM

[LB828](#) (Blood) Change provisions of the Nebraska Apiary Act and provide for the Pollinator Task Force, the Nebraska Apiary Registry, and immunity for certain damages relating to bees

[LB831](#) (Blood) Change provisions of the Noxious Weed Control Act and provide for control of restricted plants

[LB1142](#) (Wayne) Require and restrict certain actions of any animal control facility, animal rescue, animal shelter, or rabies control authority

#### *Banking, Commerce and Insurance Committee*

Room 1507 - 1:30 PM

[LB991](#) (Bostar) Adopt the Blockchain Basics Act

### Wednesday, January 31

#### *Government, Military and Veterans Affairs Committee*

Room 1507 - 1:30 PM

[LB861](#) (Linehan) Change procedures to remove a name from a petition under the Election Act

[LB1070](#) (Bostar) Change closing dates and filing deadlines for campaign statements of ballot question committees

[LB1068](#) (Brewer) Change provisions relating to the appointment, certification, and convening of presidential electors

[LB1152](#) (Brewer) Change provisions relating to elections, motor vehicle operators' licenses, and state identification cards

Note: LB 1152 will be a combined hearing with LB 1068

*Judiciary Committee*

Room 1113 - 1:30 PM

[LB846](#) (Hunt) Adopt the Bed Bug Detection and Treatment Act

[LB1115](#) (Dungan) Provide a right to a trial by jury under the Uniform Residential Landlord and Tenant Act

*Revenue Committee*

Room 1524 - 1:30 PM

[LB1113](#) (Meyer) Change provisions relating to the types of property receiving a property tax exemption under the ImagiNE Nebraska Act

[LB1049](#) (Bostar) Change the amount authorized for the municipal occupation tax on telecommunications companies

[LB1316](#) (Linehan) Eliminate provisions relating to the base growth percentage for school districts under the School District Property Tax Limitation Act

[LB1397](#) (Murman) Redefine agricultural land and horticultural land for property tax purposes

[LB1318](#) (Linehan) Change the Nebraska Property Tax Incentive Act and change provisions relating to certain transfers to the Cash Reserve Fund

[LB1241](#) (von Gillern) Change provisions relating to property tax levy limits

**Thursday, February 1**

*Judiciary Committee*

Room 1113 - 1:30 PM

[LB1288](#) (Raybould) Provide for recognition of tribal mental health and dangerous sex offender commitment orders and for transportation of and commitment of persons civilly committed under tribal law

*Revenue Committee*

Room 1524 - 1:30 PM

[LB1248](#) (Kauth) Eliminate certain sales and use tax exemptions

[LB1310](#) (Albrecht) Adopt the Advertising Services Tax Act and eliminate certain sales and use tax exemptions

[LB1354](#) (Albrecht) Adopt the Advertising Services Tax Act

[LB1311](#) (Meyer) Eliminate certain sales and use tax exemptions and impose sales and use taxes on certain services

[LB1349](#) (Murman) Eliminate certain sales and use tax exemptions and impose sales and use taxes on certain services

[LB1308](#) (von Gillern) Eliminate certain sales and use tax exemptions and impose sales and use taxes on certain services

[LB1319](#) (Linehan) Eliminate a sales and use tax exemption relating to data centers

[LB1345](#) (Wayne) Impose sales and use taxes on certain services

[LB1356](#) (Wayne) Change provisions relating to the Community Development Assistance Act and provide tax credits

[LB1317](#) (Linehan) State findings relating to property taxes

## **Friday, February 2**

### *Government, Military and Veterans Affairs Committee*

Room 1507 - 1:30 PM

[LB1018](#) (Holdcroft) Provide that positions of public employment shall not require a postsecondary degree and require equal consideration for non-degree-holders' wages and benefits

[LB1174](#) (Hansen) Change provisions relating to section lines and vacation or abandonment of public roads

[LB1162](#) (Lowe) Change provisions relating to reimbursement for mileage for sheriffs and constables

### *Health and Human Services Committee*

Room 1510 - 1:30 PM

[LB1003](#) (Hansen) Change a requirement relating to child care licensing in cities, villages, or counties

### *Judiciary Committee*

Room 1113 - 1:30 PM

[LB1366](#) (Cavanaugh, J.) Change provisions relating to the use of eminent domain

[LB1267](#) (Conrad) Adopt the Uniform Public Expression Protection Act and eliminate provisions relating to actions involving public petition and participation

[LB1192](#) (Conrad) Change provisions of the Political Subdivisions Tort Claims Act and the State Tort Claims Act to allow certain claims by prisoners, detainees, and children in the custody, care, or control of a government entity

[LB1292](#) (Conrad) Change provisions relating to standing to file a petition for a declaratory judgment

[LB1265](#) (Conrad) Change provisions relating to grants for providers of free civil legal services

### *Revenue Committee*

Room 1524 - 1:30 PM

[LB1414](#) (Linehan) Adopt the Property Tax Growth Limitation Act and change provisions relating to budget limitations

[LB1415](#) (Dover) Adopt the Property Tax Relief Act and change the Nebraska Property Tax Incentive Act

## Monday, February 5

### *Appropriations Committee*

Room 1524 - 1:30 PM

[LB1090](#) (Ballard) Appropriate funds to the Department of Administrative Services for the Nebraska Public Safety Communication System

[LB1275](#) (Brewer) Appropriate funds to the Department of Administrative Services

[LB1378](#) (Dover) State legislative intent to appropriate funds to the Department of Administrative Services as prescribed and change provisions relating to certain funds

### *Banking, Commerce and Insurance Committee*

Room 1507 - 1:30 PM

[LB1176](#) (Dungan) Adopt the Public Entities Pooled Investment Act

[LB1395](#) (Murman) Adopt the Natural Asset Company Prohibition Act

[LB872](#) (Clements) Prohibit acceptance of central bank digital currency by state and local governments

### *Transportation and Telecommunications Committee*

Room 1113 - 1:30 PM

[LB1030](#) (Bostelman) Change provisions of the County Bridge Match Program and provide for a transfer of funds from the Roads Operations Cash Fund

[LB1163](#) (Lowe) Authorize the operation of all-terrain vehicles and utility-type vehicles between the hours of sunset and sunrise if used for snow removal as prescribed

## Tuesday, February 6

### *Transportation and Telecommunications Committee*

Room 1113 - 1:30 PM

[LB965](#) (Holdcroft) Change provisions relating to certain license plates issued to persons with military affiliation as prescribed

[LB1129](#) (Raybould) Provide for autism acceptance license plates and change provisions relating to license plates and the Autism Treatment Program Cash Fund

[LB1298](#) (Lippincott) Provide for the issuance of veteran, honorary, and distinctive licenses under the Motor Vehicle Operator's License Act

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