

NACO Legislative Report



March 8, 2024

[Video Report](#)

Full Days of Debate Begin

March 7 marked the 40th day of the legislative [session](#). In the remaining 20 days of the session, the Legislature will take up mid-biennium [revisions](#) to the state budget and Governor Pillen's property tax [reforms](#). The budget revisions must be passed by the 50th day. After recess days on March 8 and 11, budget debate will begin on March 12.

Although [LB1067](#), the bill to eliminate inheritance taxes, did not appear on the agenda this week, the issue is not dead. When LB1067 was removed from the agenda last week, supporters said they would work on finding sources of replacement revenue for counties. Although no amendments have been shared with NACO to date, we must continue to be vigilant in our opposition to elimination of inheritance taxes without replacing 100 percent of the revenue with a sustainable revenue stream. Thank you for ongoing efforts in this fight.

County Purchasing Act Changes Advanced

The dollar amounts triggering competitive bidding for county purchases of personal property and services would be increased beginning January 1, 2025 under a [bill](#) advanced from Select File, the second round of debate.

The County Purchasing Act currently requires competitive bidding on purchases in excess of \$50,000. This amount would increase to \$70,000 in 2025, to \$90,000 in 2029, and to \$110,000 in 2034.

For purchases between \$10,000 and \$50,000, counties must currently secure three informal bids, if practicable. Under [LB938](#), the triggering amount would increase to \$15,000 in 2025, to \$20,000 in 2029, and to \$25,000 in 2034. Purchases below these amounts could be purchased on the open market.

Maximum dollar amounts for the disposal of surplus or obsolete personal property and mobile equipment would also be increased.

The bill would replace existing processes for making special purchases with language specific to auctions. The county board would set a maximum purchase amount at a regular or special meeting. Notice would need to be published at least five days before the special meeting. If no edition of a newspaper of general circulation in the county will be finalized for printing prior to the publication deadline, notice must be posted on the newspaper's website, on a statewide website for public notices, and at the courthouse. The special meeting could be conducted by virtual conferencing. The board would approve the purchase at the next regular meeting.

There was no debate and LB938 advanced on a voice vote.

In addition to LB938 and [LB43](#), the public records and open meetings bill discussed below, the Legislature advanced a series of bills from Select File this week.

[LB304](#) would require political subdivisions to publicly disclose on their websites the membership dues paid annually to each association or organization and the fees paid to any individual lobbyist or lobbying firm that are separate from the membership dues. Political subdivisions without a website would have to make this information available upon request at the office of the political subdivision.

[LB61](#) would allow utilities to lease their dark fiber to help in the development of broadband in unserved areas. An [amendment](#) was adopted that would revise the definition of unserved locations so that the availability of terrestrial fixed wireless technology is not considered access to broadband.

A related bill that would prohibit providing dollars from the Nebraska Universal Service Fund to broadband infrastructure with speeds of less than 100 megabits per second (Mbps) upload and 100 Mbps download was reported out of the Transportation and Telecommunications Committee. A proposed committee [amendment](#) to [LB1031](#) would change the upload speed to at least 20 Mbps. Language from [LB865](#) would require broadband providers to report rates and information about each service plan and [LB1255](#) would require 911 calls to be routed to next-generation 911 systems by January 1, 2026. [LB1256](#) would require communications providers to file 911 service outage reports with the Public Service Commission.

Public Records Law Changes Sent to Final Round

Counties and other public bodies would have to give the public an opportunity to speak at each meeting under an amendment that was adopted before [LB43](#) advanced from Select File on Monday. This requirement would not apply to closed sessions. The amendment mirrors Senator Joni Albrecht's [LB637](#). Existing law provides that a public body is not required to allow citizens to speak at each meeting, but it cannot forbid public participation at all meetings.

Five other bills had been amended into LB43 during General File debate as part of the Government, Military and Veterans Affairs Committee [amendment](#). Language from [LB366](#) would replace existing law requiring custodians of public records to conduct the first four cumulative hours of searching, identifying, physically redacting or copying public records without charge. New language would extend the time period to eight hours for requests from Nebraska residents and news media. Nonresidents could be charged from the first hour for the actual added cost of records, including a proportional charge for the services of an attorney to review the public records. Custodians could waive or reduce fees if they deem it to be in the public interest to contribute to the understanding of the operations or activities of government and not primarily in the commercial interest of the person requesting the record.

Records relating to cybersecurity of the state or political subdivisions could be withheld from disclosure as public records under language from [LB650](#).

The First Freedom Act, which was introduced as [LB277](#), would prohibit the state and local governments from taking actions that would substantially burden a person's right to exercise religion unless there is a compelling government interest or restrict it from engaging in religious services during a state of emergency to a greater extent than it restricts other organizations or businesses. It would require schools to allow students who are members of an indigenous tribe to wear tribal regalia on school grounds or at school functions.

Provisions taken from other bills would prohibit state agencies from imposing filing requirements for charitable organizations that are more burdensome than those required by state law ([LB41](#)) and prohibit state and local agencies from requiring the disclosure of data that directly or indirectly identifies a person as a member or supporter of a nonprofit organization ([LB297](#)). The underlying bill, LB43, would instruct courts not to defer to state agency interpretations when deciding contested cases arising from a decision under the Administrative Procedures Act.

[LB287](#), a separate bill that would provide options for giving notice of meetings when newspaper publication is unavailable, is on Select File. The notice provisions that were amended into LB287 are taken from [LB513](#) and

were also amended into new auction language within the County Purchasing Act as part of [LB938](#). Other bills that would be amended into LB287 include this year's election omnibus bill ([LB514](#)), procedures for filling congressional vacancies ([LB313](#)), requirements for certain public employees to disclose conflicts ([LB302](#)), and removal of obsolete 2020 redistricting provisions ([LB269](#)).

Bills Advanced from General File

The Legislature started the week with a six-bill General File [consent calendar](#). [LB1162](#) would update the authority for county sheriffs to collect mileage fees when using a county vehicle to reflect current practice. It would require fees to be reported when they are collected, rather than when they are earned. Senator John Lowe introduced the bill on behalf of NACO.

[LB877](#) would address the unintended consequences of last year's legislation on special valuation for small parcels. The bill would restore language requiring parcels eligible for special valuation to consist of five contiguous acres or more. For smaller parcels, the owner or lessee would need to provide a tax document reporting a profit or loss from farming for two out of the last three years. An [amendment](#) was adopted to strike retroactivity provisions due to constitutional concerns.

[LB1143](#) would repeal outdated statutes related to health districts. Health districts were created in 1939 and have been replaced with county health departments, district health departments formed through interlocal agreements, and city/county health departments.

Later in the week, the body advanced other committee and senator priority bills from General File. [LB1120](#) would require purchasers of land in close proximity to military installations to submit an affidavit stating that they are not affiliated with a foreign government determined to be a foreign adversary under federal definitions. The bill is intended to address questionable purchases of land near intercontinental ballistic missile fields in Banner, Cheyenne, Deuel, Garden, Kimball, Morrill, Scotts Bluff and Sioux counties. The Real Estate Transfer Statement ([Form 521](#)) would be amended to include a question of whether the affidavit is required and if so, whether it has been submitted. Two related bills remain in committee. [LB1301](#) would prohibit land ownership by foreign adversarial interests and provide for divestment of such holdings. [LB1300](#) would examine potential supply chain issues due to a disruption in the Pacific and prohibit certain purchases from countries of concern.

[LB894](#) would require candidates for county sheriff to be certified before filing for office. Currently sheriffs must obtain certification within eight months after being elected. When debate began on LB894 last week, an [amendment](#) was pending that would require sheriffs elected in Douglas, Lancaster and Sarpy counties to hold a four-year degree in law enforcement. The amendment was not adopted. Before the bill was advanced this week, an [amendment](#) was adopted to allow persons with Deferred Action for Childhood Arrivals (DACA) status to become certified law enforcement officers. This concept was introduced as [LB918](#).

[LB1004](#) would update last year's bill to repeal motorcycle helmet laws in response to suggestions from law enforcement, the Department of Motor Vehicles, and the riding community. It would allow experienced riders who already hold a motorcycle operator's license to forgo extended in-person training classes and instead require only a three-hour online safety course.

[LB1200](#) is the annual Department of Motor Vehicles (DMV) update bill that would incorporate changes in federal law. Among other changes, the bill would allow ATV and UTV owners to apply for a certificate of title in any county. Motor vehicle titles could be issued by DMV when a decedent's estate has been closed for more than 10 years. The bill also serves as the basis for other bills heard by the Transportation and Telecommunications Committee. Language from [LB900](#) would increase the length of straight trucks allowed on Nebraska roads from 40 feet to 45 feet. [LB929](#) would require interoperability between the 988 Suicide and Crisis Lifeline and the 911 system. [LB966](#) would clarify the meaning of flashing yellow arrow and steady red arrow traffic signals. It would adjust the decimal place used to calculate the variable fuel tax rate. The adjustment is not intended to have a fiscal impact but to give more precision in setting the rate.

[LB1204](#) would allow holders of microdistillery licenses to operate rickhouses to store spirits. A committee [amendment](#) containing [LB981](#) was adopted that would increase the dollar amount triggering the payment of taxes by nonprofits operating lotteries or raffles.

Bills Passed This Week

The Legislature passed a series of bills on Thursday. These include:

[LB936](#) to eliminate county-issued amusement licenses. Existing law requires these permits for pool halls, bowling alleys, roadhouses and other places of amusement located outside of the incorporated limits of a city or village. Few of these permits are issued and the activities are typically regulated through liquor licenses and other processes.

[LB940](#) to allow counties to enter into agreements to help fund entities that assist survivors of domestic violence or sexual assault. Last summer an audit questioned the authority of a county to provide such funding without adequate documentation of how funding was used.

[LB569](#) to require county boards to conduct a public meeting to announce the consideration of proposed projects to construct new electric generation facilities within the county. The bill sets out disclosure requirements if any official, their spouse, child residing in their household, or another dependent on their federal income tax form holds a direct or indirect financial interest in the project or property where the project would be located. They would need to publish notice of the official's financial interest and whether the official has indicated an intent to vote to select the project site or approve the contract and hold a hearing within 90 days.

[LB139](#) to change the dollar amount over which the Small Claims Court has jurisdiction from \$3,500 to \$7,500 beginning July 1, 2025.

[LB257](#) to allow cemetery lots to be revested in the county, city or village when no interment has been made in the lot for at least 30 years and the owner or their heirs have not asserted a right in the lot.

[LB716](#) to update references to the state electrical code and sets fees for state electrical inspections and exams.

[LB847](#) to replace references the obsolete Interstate Civil Defense and Disaster Compact and replace them with references to the current agreement, the Emergency Management Assistance Compact.

[LB989](#) and [LB992](#) to update the Real Property Appraiser Act to reflect changes to the uniform national standards.

Bills Signed by Governor Pillen

Governor Pillen signed nearly a dozen bills on March 5. Unless the bill has an emergency clause or a specified operative date, it will take effect three calendar months after the session adjourns. Because the Legislature is [scheduled](#) to adjourn on April 18, the effective date would be July 19.

[LB147](#) allows counties to notify political subdivisions electronically when a portion of their tax collections will be withheld to pay for a refund to the property owner. Existing law requires notice of refunds in excess of \$200 to be mailed to the political subdivision. LB147 allows subdivisions to waive notice of refunds of \$1,000 or less and ask to receive such notice electronically. Senator Kathleen Kauth introduced the bill last year on behalf of NACO.

[LB317](#) allows county assessors to determine how inspection of real property must be completed. A separate bill, LB949, was introduced to require inspections every year, instead of every six years, and allow inspections to be conducted remotely. LB949 remains in committee.

[LB190](#) allows counties to spread out payments on bridge projects beyond the completion date. The bill was modeled after a process used to build a beltway in Lancaster County.

[LB102](#) revises land surveyor statutes and the Nebraska Plane Coordinate System Act. It allows county surveyor's records to be stored in buildings owned by the county, such as the county surveyor's office, rather than limiting the storage location to the county courthouse. The bill takes effect on September 1, 2024.

[LB184](#) limits the admissibility of statements made by juveniles as part of a motion to transfer a case to juvenile court.

Governor Pillen vetoed [LB307](#) that would allow counties and cities to authorize a syringe services program to provide access to sterile syringes and safe disposal of used syringes and needles. The program would provide a needs assessment for program participants, referral information for substance abuse, mental health care and other services, and other information to reduce overdose risks. Senator Megan Hunt has filed a motion to override the veto that appears on the agenda on March 12.

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