

NACO Legislative Report



January 30, 2026

Debate on Priority Bills Begins

The Legislature began first round floor debate this week on measures senators have designated as their personal priority bills for the session. Two bills advanced: [LB548](#) would allow political subdivisions that own or operate natural gas systems to contract with industrial consumers of natural gas. [LB538](#) would require school boards and post-secondary institutions to adopt antidiscrimination and antisemitism policies.

Debate began on a third priority bill, [LB669](#), that would require voluntary and informed consent for abortions. Due to the controversial nature of the bill, a compressed four-hour timeline for debate will be followed before cloture can be invoked. Debate will continue on Monday.

In addition, senators debated and advanced carryover bills from General File, including a measure to require directed health measures to be approved by the county board or joint city-county health department. [LB203](#) was amended to allow the ratification to occur at a regular or emergency meeting of the board. The meeting could be held using videoconferencing.

Other bills advanced from the first round would authorize virtual building inspections ([LB441](#)) and adopt a uniform exemption from documentary stamp taxes ([LB783](#)).

Livestock Siting Shot Clock Amended, Advanced

County boards and planning commissions would have to make livestock siting decisions within statutory timelines under [LB663](#) that advanced from General File on Wednesday. The bill was introduced last year by Senator Tanya Storer with the stated intent of removing subjectivity from the permitting process by focusing on county zoning regulations and setting deadlines for county actions. In addition, the bill proposed requiring county board and planning commission members to undertake two hours of education developed and presented by their respective county attorneys.

Proponents of the bill said some counties intentionally delay making decisions as a means of disapproving or denying an exemption or permit. NACO and other opponents testified at last year's hearing that arbitrary timelines could force complex decisions without opportunity for analysis and public input.

An [amendment](#) was adopted that would give planning commissions 30 days to determine if a conditional use permit is complete, then 90 days to approve or deny the completed application. Likewise, the county board would have 30 days to determine if the application is complete, then another 90 days to approve or deny the permit.

The board's decision to grant the permit would be based solely upon compliance with county zoning regulations. The board could not require applicants to apply for or obtain any other federal, state, or local permit as a condition for granting the conditional use permit or special exception, but the applicant would not be relieved of the authority to obtain necessary permits.

In determining whether to approve or deny a special use permit, the county board or planning commission would presume that the applicant will comply with all federal, state, and local requirements. The burden of proof to the contrary would rest on the party challenging the presumption. In an appeal of a planning commission or county board decision, the appealing party would have to prove by clear and convincing evidence that the decision was arbitrary, capricious or illegal or that it did not adhere to the county's zoning regulations.

The amendment revises educational requirements so that the county attorney, planning commission members and county board members would be required to undertake two hours of education per term on topics specific to their role in the processes set out in the bill.

Other Shot Clock Bills

[LB1094](#), a bill to impose a 75-day shot clock on residential property land use decisions, was heard by the Revenue Committee on Wednesday. In addition, proposed housing developments that meet the criteria outlined in local zoning codes and land use regulations would be approved by-right, without discretionary reviews or approval by any planning commission, zoning board, or other regulatory authority. LB1094 is similar to last year's [LB458](#).

A bill with by-right approval of accessory dwelling units, [LB1041](#), has been assigned to the Urban Affairs Committee for a hearing on February 3.

Another bill with a shot clock, [LB1204](#), would impose a 45-day deadline for county boards to approve or deny applications for renewable energy generation facilities with a nameplate capacity of less than 25 megawatts. For larger facilities, county boards would have 90 days to take action. In either case, failure to act on an application would constitute automatic approval of the application. LB1204 has been referred to the Natural Resources Committee but a hearing date has not been set.

Joint Public Hearing Bill Moves from Second Round

[LB384](#), a bill to change the representatives of counties, cities and schools who must attend "pink postcard" hearings, advanced from the second round of debate on Tuesday. Existing law requires one elected official from each county, city, and school district that exceeds their property tax request by more than an allowable growth percentage to participate in a joint public hearing. Representatives must give a brief presentation on the political subdivision's intent to increase its property tax request and the effect on the subdivision's budget.

As originally introduced, the bill would have required at least a majority of the members of the governing body to attend the hearing. Proponents of the bill said that some counties send the elected county clerk or treasurer to the hearing because they prepare the budget, but these officials do not have a vote to approve the budget.

During first-round debate, the bill was amended to require the county assessor and an elected member of the governing body to attend.

During floor debate, Senator Bob Hallstrom suggested that a better solution lies in an amendment to [LB575](#) that would overhaul the entire postcard process. The amendment, which has not been introduced, would revise the timing of the notice and hearings to direct property owners to the appropriate point in the process to protest their valuations and provide input on local government budgets. LB575 remains in the Revenue Committee.

Ag Land Valuation Reduction Proposed

Agricultural and horticultural land would be valued at 50 percent of its actual value under [LB814](#) that was heard

by the Revenue Committee this week. Since 2007, ag land has been valued at 75 percent of actual value. NACO testified in opposition, noting that the five counties that are near the constitutional 50 cent levy limit would be unable to make up more than \$1.4 million in taxes lost through this bill.

Next Thursday, the committee will hear [LB1183](#) to reduce all property values by half. All property except agricultural and horticultural land would be valued at 50 percent of its actual value. Ag land would be reduced to 37.5 percent of actual value.

At the same hearing, the committee will take testimony on [LB1219](#) and [LR317CA](#) that would limit the total amount of property taxes that may be levied by any political subdivision to two percent plus real growth. Real growth would mean new construction, improvements, annexation, changes in use, and increases in personal property valuations.

The committee will also hear [LB1154](#) that would fix an error in the treatment of unused budget authority under the property tax cap.

Committee Hearings Next Week

Appropriations Committee

The Appropriations Committee will begin taking testimony on [mid-biennium budget proposals](#) next week. The two main budget bills, [LB1071](#) and [LB1072](#), will be heard on Monday for official record purposes, with specific issues being addressed at the pertinent state agency hearings. Several agency hearings are scheduled in the following weeks, along with separate appropriations bills.

On Wednesday, the committee will hear from the Public Service Commission, Department of Motor Vehicles, and Department of Transportation, among other agencies. The committee will also hear [LB1218](#) that would provide \$4 million per year to the County Bridge Match Program and [LB982](#) that would appropriate \$10 million for the Broadband Bridge Program.

On February 9, the committee will hear about numerous shifts in funding within the Department of Health and Human Services, including reductions in behavioral health funding. NACO opposes these cuts.

On February 11, the committee will take testimony on the Nebraska Commission on Law Enforcement and Criminal Justice budget. NACO supports removing a 5 percent earmark for the Juvenile Justice Institute of the University of Nebraska at Omaha. This change would allow evaluation of data to be centralized and evaluated within the Crime Commission.

On February 17, the committee will take testimony on funding related to the Department of Veterans' Affairs. NACO opposes the proposed cuts to the Veterans' Aid Trust Fund.

Transportation and Telecommunications Committee

A NACO bill to modernize rural road improvement district bonding opportunities will be heard by the Transportation and Telecommunications Committee on February 2. The districts, which can enact special assessments for road projects that are outside of county property taxes, would be allowed to issue bonds for 20 years. Currently they can issue bonds for 10 years. [LB1107](#) was introduced on behalf of NACO by Senator Glen Meyer.

At the same hearing, the committee will take testimony on a bill to require motorists to exercise caution and yield the right of way when encountering animals being herded on county roads. [LB977](#) was introduced on behalf of the Nebraska Cattlemen's Association.

On Tuesday, February 3, the committee will hear [LB1126](#) to create an infrastructure bank to help provide loans for certain local government infrastructure projects. The bill would increase fees for overweight permits and authorize trucks hauling "superloads" that could exceed 500,000 pounds on roads in the state. The state would

be allowed to accept limited unsolicited bids and remove prequalifications for some routine maintenance projects.

Government, Military and Veterans Affairs Committee

Procedures for purchasing real property and open meetings laws will be discussed by the Government, Military and Veterans Affairs Committee on Thursday.

[LB964](#) would require governing bodies of political subdivisions to hold public hearings before the sale, lease, or purchase of real property. If the governing body decides to follow through with the sale, lease, or purchase and the transaction is not completed within two months after the hearing, a new hearing would be needed. Notice of the sale, including the legal description, assessed value, and proposed purchaser would need to be published.

[LB898](#) would expand the authority to hold virtual meetings to public bodies that are advisory in nature.

[LB1145](#) would return to requirements for public bodies to provide notice of meetings “by a method designated by each public body and recorded in its minutes.” This language was eliminated in 2020. Public bodies would also have to give notice at least twice a year of the regular meeting schedule, location, and method designated by the body to give public notice.

Judiciary Committee

Requirements for matrons in county jails holding female prisoners would be outright repealed by [LB1195](#) that will be heard by the Judiciary Committee on Thursday.

[LB1123](#) would create procedures for prosecuting agencies to provide written notice to law enforcement officers of placement or potential placement on Brady-Giglio lists. These lists are used to impeach the credibility of law enforcement officers. The bill would also restrict the public release of officer’s official photographs without consent.

On Friday, the committee will hear [LB1088](#) to require persons convicted of domestic violence crimes to surrender firearms for a period of time.

Business and Labor Committee

A bill to require counties, cities, and state agencies that require an inspection as part of a building permit to use authorized inspectors will be heard by the Business and Labor Committee on February 2. Authorized inspectors would have to hold a credential with the agency issuing the permits. [LB861](#) would make inspection records available for public inspection as long as the structure for which the permit was issued is standing at the time of the records request.

At the same hearing, the committee will hear [LB744](#) that would expand resilience training and other benefits that are available to first responders to public safety communications personnel, which is defined as 911 operators, emergency dispatchers, and employees of entities that employ 911 operators or emergency dispatchers.

Hearings Held This Week

Banking, Commerce and Insurance

Cash transactions could be rounded to the nearest five cents under a proposal heard by the Banking, Commerce and Insurance Committee. [LB837](#) was introduced by Senator Mike Jacobson to address the shortage of pennies that is affecting providers of goods and services across the state. Because counties are constitutionally prohibited from commuting taxes, many county officials have issued press releases, posted on social media, and otherwise encouraged customers to use online methods or checks to pay taxes and fees to discourage cash transactions involving pennies.

Amendments are being drafted to authorize the use of administrative adjustments that would not be considered a commutation of taxes for these transactions.

Agriculture Committee

County weed superintendents, natural resource districts, ag representatives and NACO testified in support of a bill to move administration of the invasive species management program from the Department of Agriculture to the Department of Water, Energy and Environment (NDWEE). [LB807](#), as introduced, proposed moving administration of the entire Noxious Weed Control Act from the Department of Agriculture to NDWEE but an amendment would move only the invasive species portion.

The goal of the bill is to use money in the Water Resources Cash Fund to help fund ongoing riparian vegetation management efforts. Since 2007, counties and their partners have effectively leveraged state and local funds and grants to fund vegetation management programs that help meet Nebraska's water obligations, mitigate flooding, and protect public infrastructure.

The bill was advanced by the Agriculture Committee on an 8-0 vote and appears on Monday's agenda for first-round debate. Senator Teresa Ibach introduced LB807.

Revenue Committee

This week the Revenue Committee heard bills on tax exemptions, homestead exemptions, and documentary stamp taxes.

[LB756](#) would expand motor vehicle registration and mobile tax home tax exemptions for disabled or blind veterans to their surviving spouses. Senator Dave Wordekemper, the introducer, acknowledged that the bill's reductions to county, city, school, and state revenues would make passage of the bill challenging this year.

[LB882](#) would eliminate a requirement for veterans with a 100 percent service-connected permanent disability and certain surviving spouses to file a homestead exemption application in years divisible by five. This periodic filing helps ensure that ineligible persons do not continue to receive the exemption after the recipient is no longer in the home.

[LB1067](#) would increase documentary stamp taxes from \$2.32 to \$3.82 per thousand dollars of value on property transfers. The new funds would be allocated to rural workforce housing and middle income housing. The county share would remain at 50 cents. Representatives of affordable housing spoke in support of the need for increased housing. Realtors opposed the bill due to concerns that increased closing costs reduce affordability and cut into seller's equity. NACO testified that counties received 25 percent of documentary stamp taxes when the program took effect in 1968. In 1985, the county portion increased to 33.3 percent. In 1992, the rate shifted to a flat 50 cents per \$1,000 of value of the transferred property and remains at that level.

Judiciary Committee

A new state docket fee would generate up to \$11.4 million for judicial administrative operations and \$3 million for an updated electronic case management system used by courts. As written, [LB1228](#), would not require counties, cities, and villages to pay state docket fees deemed uncollectible. An amendment was offered at the hearing that would clarify that counties would not pay the state docket fee for in forma pauperis and other filings that are currently charged to counties.

The Judiciary Committee also heard [LB1199](#) that would encourage lawyers to practice in rural areas by offering assistance in repaying student loans. LB1199 would increase the population threshold to qualify for assistance and appropriate funds for the program. Currently 12 counties have no attorneys and 22 counties have three or fewer.

[LB984](#) would eliminate authority for 17-year-olds to marry with parental consent. Instead, the minimum age to marry would be 18. The bill is intended to reduce the potential of human trafficking and forced marriages. There was no testimony in support, opposition, or neutral on the bill.

Transportation and Telecommunications Committee

Funding for developmental disabilities became the focus of a hearing on [LB972](#), a Department of Motor Vehicles clean-up bill, on Monday. LB972 would codify a guidance document on the registration of untitled trailers and change to one In Transit placard, rather than two. Provisions of the bill creating new solid-color special interest license plates drew comparisons to [LB1092](#), a bill to create license plates with classic black and white designs. Under LB1092, funds generated from the new plates would be used to support infrastructure and safety improvements for developmental disability service providers. LB1092 will be heard on February 10.

General Affairs Committee

Counties and cities would retain two percent, rather than one percent, of local lottery taxes under [LB782](#). The General Affairs Committee heard testimony that the requirement to use these funds for community betterment purposes helps provide property tax relief. NACO estimated that the 17 counties with keno would retain more than \$250,000 under the bill.

Selected Committee Hearings

Following are selected hearings that are of interest to counties. The full list of hearings is available [here](#).

Monday February 2, 2026

Appropriations Committee

Room 1524 - 1:30 PM

[LB1071](#) (Speaker Arch) Provide, change, and eliminate provisions related to appropriations for the expenses of Nebraska State Government for the biennium ending June 30, 2027

[LB1072](#) (Speaker Arch) Provide for and change transfers from the Cash Reserve Fund and provide, change, and eliminate provisions relating to fees, funds, fund transfers, agency powers and duties, and various statutory programs

Note: The hearings on LB1071 and LB1072 will be combined. Testimony on the overall budget is appropriate, However testimony on specific issues and/or agencies should be presented at the date scheduled for the relevant agency.

Business and Labor Committee

Room 1200 - 1:30 PM

[LB861](#)(Bostar) Require authorized building inspectors for inspections under the Building Construction Act and public access to certain building inspection records

[LB744](#) (Juarez) Include public safety communications personnel in certain provisions relating to first responders in the Nebraska Workers' Compensation Act and the Critical Incident Stress Management Act

Transportation and Telecommunications Committee

Room 1510 - 1:30 PM

[LB1107](#) (Meyer, G.) Change provisions of the Rural Road Improvement District Act

[LB977](#) (Storer) Provide requirements under the Nebraska Rules of the Road relating to motorists encountering certain animals being led, herded, or driven on or along highways

[LB991](#) (Dover) Provide for stop-signal-arm camera systems on school buses and authorize the use of such systems for enforcement of certain violations under the Nebraska Rules of the Road

[LB1223](#) (Hunt) Change headlight requirements under the Nebraska Rules of the Road and prohibit the sale and distribution of certain motor vehicles under the Motor Vehicle Industry Regulation Act

Tuesday February 3, 2026

Transportation and Telecommunications Committee

Room 1510 - 1:30 PM

[LB1126](#) (Moser) Adopt the Infrastructure Development Investment Program Act and change provisions relating to the construction and repair of roads, the Transportation Innovation Act, the Motor Vehicle Safety Responsibility Act, and the Nebraska Rules of the Road

[LB1176](#) (DeBoer) Change provisions relating to the Nebraska Rules of the Road and the Automatic License Plate Reader Privacy Act

[LB1005](#) (Clouse) Provide for the operation of all-terrain vehicles and utility-type vehicles between sunset and sunrise under the Nebraska Rules of the Road

Urban Affairs Committee

Room 1200 - 1:30 PM

[LB1130](#) (Jacobson) Adopt the Community Improvement District Act

[LB1163](#) (Fredrickson) Change provisions relating to the Property Assessed Clean Energy Act

[LB1041](#) (Rountree) Provide requirements for cities, villages, and counties relating to accessory dwelling units

Wednesday February 4, 2026

Appropriations Committee

Room 1003 - 1:30 PM

Agency 14 Public Service Commission

Agency 24 Motor Vehicles, Department of

Agency 27 Transportation, Department of

[LB982](#) (DeBoer) Appropriate funds to the Public Service Commission for the Broadband Bridge Program

[LB1218](#) (Brandt) Change provisions of the County Bridge Match Program and provide for a transfer of funds from the Roads Operations Cash Fund

Judiciary Committee

Room 1525 - 1:30 PM

[LB1230](#) (Strommen) Provide for mobile homes in the Disposition of Personal Property Landlord and Tenant Act and change provisions relating to certificates of title for mobile

[LB809](#) (Dover) Prohibit political subdivisions from enacting certain ordinances relating to landlords

[LB980](#) (Bosn) Change provisions of the Uniform Residential Landlord and Tenant Act relating to waivers of jury trials and summonses and provide for summary judgment and expedited proceedings

Thursday February 5, 2026

Government, Military and Veterans Affairs Committee

Room 1507 - 1:30 PM

[LB964](#) (Bostar) Adopt the Nebraska Public Property Disclosure Act

[LB898](#) (Lonowski) Change which political subdivisions may use virtual conferencing for meetings under the Open Meetings Act and change related requirements

[LB1145](#) (Lonowski) Change provisions relating to notice requirements for a meeting of a public body under the Open Meetings Act

Judiciary Committee

Room 1525 - 1:30 PM

[LB1123](#) (Bostar) Provide requirements relating to Brady-Giglio lists, protections for certain officers, and duties for prosecuting agencies and public safety agencies, and change the penalty for impersonating a peace officer

[LB1195](#) (Storer) Eliminate requirements relating to female inmates of county jails

Natural Resources Committee

Room 1023 - 1:30 PM

[LB1027](#) (Storm) Eliminate certain exemptions applicable to privately developed renewable energy generation facilities and change requirements for the construction of privately developed renewable energy generation facilities

Revenue Committee

Room 1524 - 1:30 PM

[LB1183](#) (Lippincott) Change provisions relating to valuation of property

[LB1154](#) (Riepe) Change provisions relating to the calculation of property tax request authority under the Property Tax Growth Limitation Act

[LB1219](#) (Brandt) Limit the amount of property taxes that may be levied by a political subdivision

[LR317CA](#) (Brandt) Constitutional amendment to limit the annual growth in the amount of property taxes levied by political subdivisions

Note: The hearings on LB1219 and LR317CA will be combined.

Friday February 6, 2026

Judiciary Committee

Room 1525 - 1:30 PM

[LB1000](#) (Prokop) Change penalties for violations of domestic abuse and sexual assault protection orders

[LB1020](#) (Bostar) Provide for and change offenses involving mobile tracking devices, stalking, unlawful intrusion, operation of unmanned aircraft systems, and swatting and eliminate the requirement that courts impose probation for Class IV felonies

[LB1088](#) (Raybould) Require persons convicted of misdemeanor crimes of domestic violence or subject to domestic abuse protection orders to surrender firearms for a period of time

[LB1059](#) (Bosn) Prohibit certain conduct relating to mobile tracking devices and change penalties for stalking

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