

# NACO Legislative Report



February 13, 2026

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## Governor Signs Joint Public Hearing Changes

On Monday, Governor Jim Pillen signed [LB384](#) to require one elected board member and the county assessor from the host county to attend the to attend joint public hearings on potential property tax increases. 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, commonly called the pink postcard hearing. At the hearings, 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. The bill will take effect three calendar months after the Legislature adjourns, which is tentatively scheduled for [April 17](#).

The Governor also signed bills to allow the sale of lottery tickets through vending machines ([LB60](#)), limit scheduled increases to minimum wages ([LB258](#)), and regulate remote retail sales of tobacco ([LB212](#)).

The Legislature passed other measures, including [LB203](#) that would require pre-approval of certain directed health measures and ratification at a regular or emergency meeting of the board.

After a recess day on February 14 and the Presidents' Day holiday, senators will resume debate on Select File bills, including [LB807](#), which would transfer management of riparian vegetation grant funds from the Department of Agriculture to the Department of Water, Energy and Environment.

Committees continue advancing bills to the floor, including [LB834](#), a cleanup of county tax and administrative functions introduced by Senator Kathleen Kauth on NACO's behalf. Many of these bills are expected to receive priority designations or be included in packages. Senators and committees must designate their priority bills before adjournment on February 19. A list of priority bills designated thus far is available [here](#).

## Zoning Shot Clock Advances from Second Round

County boards and planning commissions would be required to act on conditional use permits and special exceptions within statutory timelines under a bill advanced from the second round of debate this week. [LB 663](#) would give planning commissions 30 days to determine if an application is complete, then 90 days to approve or deny the completed application. Then, the county board would have 30 days to determine if the application is complete, and 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. The party appealing a decision of a county board or planning commission would have to prove by clear and convincing evidence that the decision was arbitrary, capricious or illegal or was inconsistent with the county's zoning regulations.

County attorneys, planning commission members and county board members would be required to attend two hours of education per term on topics specific to their roles in the zoning and permitting processes.

A technical [amendment](#) was adopted before the bill advanced from Select File on a voice vote.

The Natural Resources Committee heard a separate bill with a shot clock, [LB1204](#), on Thursday. The bill, which focuses on renewable energy, would set state standards for zoning, including setbacks, height limitations, decommissioning, noise, and other factors that are typically found in county zoning regulations. Counties would be responsible for collecting nameplate capacity taxes and receive 95 percent of collections. In his introduction, Senator Stan Clouse said the bill is work in progress and indicated that he will work on amendments to clarify his intent to make the bill optional for counties. Seventeen county officials, property owners, attorneys and others spoke in opposition to LB1204 and more than 300 submitted online comments against the bill.

The committee heard another renewable energy bill, [LB1010](#), that would prohibit private electric energy suppliers from operating energy storage resources without approval by the Power Review Board.

The Revenue Committee heard [LB1193](#) that would impose nameplate capacity taxes on energy storage resources, commonly called battery storage.

On February 19, the Revenue Committee will hear [LB1186](#), a bill to give a greater portion of nameplate capacity taxes to counties that adopt affordable energy best practices.

## Bills Advanced From General File

Fees collected by sheriffs for serving distress warrants would increase from \$2 to \$20 in a bill advanced from General File this week. Senator Dan Lonowski introduced [LB900](#) at NACO's request in an effort to have these fees more accurately reflect the costs incurred by counties for collecting delinquent personal property taxes. This same rate change was proposed last year as part of the right-sizing of fees in [LB468](#), a bill to reduce inheritance taxes and provide replacement revenue to counties.

Another of the bills advanced from General File, the first round of debate, would provide for confidentiality of certified peer support services used by public safety personnel. [LB816](#) would ensure that conversations are privileged, with exceptions for mandatory reporting. The bill also contains concepts from [LB755](#), a similar proposal.

[LB823](#) would require applicants for land management burning permits to identify whether the intended burn is a controlled burn or a prescribed burn and defines each term. A related bill, [LB897](#), was heard by the Judiciary Committee this week. It would allow fire districts and municipalities to charge a fee for the cost of extinguishing a fire. The committee has not taken action on LB897.

[LB771](#), as amended and advanced, would prohibit dynamic pricing for ride shares, such as Uber and Lyft, for seven days after the governor declares a state of emergency in areas defined in the emergency proclamation.

## Committee Hearings Next Week

### Revenue Committee

Beginning in tax year 2027, property tax credits for school district taxes paid would only be available to property owners that are residents of Nebraska under [LB990](#). The bill, which will be heard on February 18, would rename the School District Property Tax Relief Act to be the Live Here Thrive Here Act.

The Department of Revenue would receive a three percent commission for their role in administering nameplate capacity taxes under [LB1021](#) that will be heard by the Revenue Committee on February 19. Counties would explicitly be prohibited from collecting commissions on nameplate capacity tax distributions. Counties have traditionally kept a one percent commission on distributions of property taxes or excise taxes meant to replace property taxes, but that practice was called into question last year. Senator Barry DeKay introduced [LB770](#) on NACO's behalf to codify the county commission. LB770 was heard on January 21.

Under LB1021, the funds generated by the commission, which would total nearly \$400,000, would be used for agency operations. Since Fleet Services funds were diverted from the Department's cash funds in 2021, one-time cash transfers have been relied upon to help fund agency operations. The commission is intended to be a permanent funding solution. At the Department's budget hearing, NACO testified that the Department should be fully funded without needing a commission.

The committee will also hear LB1186, a bill to give counties that adopt a list of affordable American energy best practices a greater portion of nameplate capacity taxes.

### **Agriculture Committee**

The Agriculture Committee will hear a bill to completely overhaul the Livestock Brand Act and the Nebraska Brand Committee on February 17. [LB1258](#) would establish a new division within the Department of Agriculture to run a fee-based livestock inspection system. [LB1187](#), a bill to increase per head inspection fees under existing laws, will be heard at the same hearing.

### **Appropriations Committee**

A proposal to transfer \$2.5 million each in 2026 and 2027 from the Veterans Aid Trust Fund will be discussed during the Department of Veterans' Affairs budget hearing on February 17. The fund was established in 1921 as a temporary emergency assistance program to support veterans and their families when other resources are not immediately available. Numerous counties have expressed opposition to the proposal. NACO will testify in opposition to reductions in veterans funding.

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

Three bills introduced on behalf of NACO will be heard on February 19. [LB919](#), introduced by Senator Rita Sanders, would modernize records preservation laws by allowing the use of accessible durable mediums in addition to microfilm.

[LB923](#) would give counties specific authority to combine warrants from multiple funds into one document, allow dated military discharge records to be transferred to the State Historical Society, eliminate a requirement for county clerks in counties over 150,000 to prepare an annual estimate of supplies, and repeal farm name registrations. Senator Stan Clouse introduced the bill.

[LB896](#) would increase marriage license fees from \$25 to \$50 to cover the cost of issuance. Senator Dan Lonowski introduced the bill.

On February 18, the committee will hear [LB969](#) that would require the State Auditor to create an online database of detailed information drawn from the most recent county and city audits. Counties would also be required to provide 10 years of historical financial information. NACO has requested that this be reduced to 5 years to align more closely to records retention schedules.

### **Judiciary Committee**

Political subdivisions would be prohibited from adopting policies that permit unregulated street camping by [LB925](#). The bill, which will be heard by the Judiciary Committee on February 18, would make it illegal to camp on public property or rights of way that aren't designated as camp sites. First time offenders would be directed by law enforcement to the nearest appropriate homeless shelter. Subsequent offenses would be Class V misdemeanors.

[LB935](#) is intended to deter frivolous lawsuits against political subdivisions by allowing political subdivisions to request attorney fees and court costs in lawsuits primarily intended to harass the subdivision or its officials.

On February 19, the committee will hear bills that would increase county tort liability. [LB1136](#) would require political subdivisions to identify the official responsible for receiving tort claims on the home page of their website. Failure to maintain up-to-date information would toll the deadline for making a claim. [LB993](#) would allow persons who believe they have been deprived of any constitutional right by a law enforcement officer to bring a civil action for appropriate relief.

On February 20, [LB995](#) would require the appointment of counsel for juveniles in certain instances. The bill requires written information about the juvenile's right to counsel to be provided to them at a level which ensures their comprehension. [LB996](#) would prohibit the use of shackling or restraints on juveniles.

### Urban Affairs Committee

The Urban Affairs Committee will hear bills on tax increment financing (TIF), sanitary and improvement district (SID) elections, and inland port authorities on February 17. [LB988](#) would effectively prohibit agricultural and horticultural land from being eligible for TIF. Funds from one redevelopment project could not be used to fund another project and a vote would be needed before TIF could be used for transportation projects. Senator Glen Meyer has designated LB988 as his priority bill. [LB1113](#) appears to be a shell bill that could be used by the committee if needed later in the session. It would change the date of notice to the Property Tax Administrator when dividing ad valorem taxes from July 1 to July 2.

[LB976](#) would change the balance of resident and non-resident property owners on SID boards of trustees. Elections for SID board are conducted by county clerks and election commissioners but are not subject to the Election Act.

One more inland port authority could be created in the state under [LB915](#). Currently five inland port authorities exist – in Lincoln County, Fremont/Dodge County, Omaha, Bellevue, and South Sioux City. The bill would add authority for a sixth inland port.

## Committee Hearings Held This Week

### Revenue Committee

A proposed constitutional amendment to base property valuations on the taxable market value and limited growth based upon inflationary factors met with opposition at a Revenue Committee hearing this week. [LR292CA](#) contains elements similar to California's Proposition 13. NACO testified in opposition noting that valuations of similar properties could vary widely depending on the timing of sales.

[LB1253](#), as introduced, would state that tax sale certificates sold and issued between January 1, 2022 and May 7, 2025 would be governed by the laws in effect on May 7, 2025. Fee and administrative changes to tax sale laws adopted last year in [LB650](#) took effect on May 6, 2025. NACO and stakeholders collaborated on an amendment to state that foreclosed tax sales certificates would be governed by the laws in effect on May 7, 2025.

County assessors could accept late homestead exemption applications for disabled veterans in limited circumstances under [LB826](#). The bill would allow applications to be accepted if the homeowner includes documentation that certification of their status by the U.S. Department of Veterans Affairs was delayed. NACO testified in support and there was no opposition.

[LB1193](#) would require battery storage centers to pay nameplate capacity taxes, rather than being treated as depreciable tangible personal property.

[LB1117](#) would revise tuition benefits available to dependents of first responders. Dependents of veterans would be required to exhaust all survivors' benefits provided by the U.S. Department of Veterans Affairs in order to qualify for a tuition waiver.

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

The Secretary of State's annual election cleanup bill was heard by the Government, Military and Veterans Affairs Committee on Wednesday. [LB1075](#) contains provisions requested by NACO that would prohibit public inspection of personal information that is provided on early voting or ballot applications, such as drivers' license numbers and birth dates. Other sections would change time frames to cure provisionally cast ballots and send ballots for special elections conducted by mail. Election commissioners, the Secretary of State's office, and NACO testified in support. LB1075 has been designated as a Government, Military and Veterans Affairs Committee priority bill, along with [LB596](#), last year's bill on digital publication of meeting notices. Both bills remain in committee.

[LB884](#) would make numerous changes to election procedures, including requiring ballots to be transported from polling places to the centralized counting location and prohibiting the person delivering the ballots from making any stops in between. Senator Bob Andersen, the introducer, met with election commissioners and agreed to amendments that moved counties from opposition to a neutral position. Several testifiers spoke in opposition to a requirement that the Secretary of State use the SAVE (Systematic Alien Verification for Entitlements Program) to confirm voter citizenship.

The committee also heard [LB765](#) that would require school bond elections to have a turnout in excess of 50 percent for passage and prohibit public funds from being used to promote these elections.

## **Judiciary Committee**

Sheriffs in counties without a city over 5,000 could reside in an adjoining county while holding office under [LB784](#) that was heard by the Judiciary Committee on February 11. This would allow a deputy who resides in one county and serves in another to be elected and continue service without being required to relocate. The proposed language mirrors residency options for [county attorneys](#) in counties of similar sizes. The bill would reduce the hours of mandatory continuing education for law enforcement officers from 32 to 24 hours annually.

[LB1097](#) would expand counties' exposure under the Political Subdivisions Tort Claims Act (PSTCA) by creating a cause of action for minors or individuals with developmental disabilities who experience sexual assault by an employee or a person under the supervision of a political subdivision. The bill would increase litigation costs for counties and could lead to higher insurance costs or losses of insurability. Currently claims are capped at \$1 million per claim and \$5 million per occurrence. Other bills to amend the PSTCA will be heard next Thursday.

The committee took testimony on [LB859](#) that would allow counties over 170,000 to provide indigent defense through conflict counsel when the public defender's office is unable to provide representation.

## **Urban Affairs Committee**

Land bank and tax increment financing (TIF) bills were heard by the Urban Affairs Committee on February 10. [LB811](#) would allow municipalities of all sizes to form land banks to accelerate the return of dilapidated property to tax rolls. Currently only metropolitan and primary class cities may form independent land banks. Smaller municipalities must cooperate through an interlocal agreement or join an existing land bank.

[LB1135](#) would prohibit land banks from holding property for nonprofit corporations for a period of more than one year unless the entity has entered into a community benefits agreement with local community groups. [LB1114](#) would reduce the timeline for vacant and nonconforming lots and structures to become eligible for expedited review for TIF. Currently, these parcels must have been within the corporate limits of a city for at least 60 years. LB1114 would shorten that period to 25 years.

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

[LB1160](#), a bill intended to harmonize probate laws and define who is considered a putative child for inheritance tax determinations, was heard by the Banking, Commerce and Insurance Committee on Monday. For inheritance tax purposes, a putative child is someone for whom the deceased has stood in the acknowledged role of a parent for at least ten years. Such an individual may be treated as a lineal descendant, or Class I beneficiary, for the

calculation of inheritance taxes. LB1160 would clarify that a child of such person would also be treated as a lineal descendant.

[LB468](#), last year’s bill to reduce inheritance taxes and provide replacement revenue, remains on Select File and has not been scheduled for debate so far during this session.

## Selected Committee Hearings

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

### Tuesday February 17, 2026

#### *Agriculture Committee*

Room 1023 - 1:30 PM

[LB1187](#) (DeKay) Change certain fees and surcharges under the Livestock Brand Act

[LB1258](#) (Hansen) Rename the Livestock Brand Act as the Livestock Protection Act, eliminate the Nebraska Brand Committee, and change, provide, and eliminate provisions relating to livestock branding and livestock protection

#### *Appropriations Committee*

Room 1524 - 1:30 PM

Agency 28 - Veterans' Affairs, Department of

Agency 84 - Water, Energy, and Environment, Department of

[LB968](#) (Prokop) Appropriate funds to the Military Department for grants for equipment for emergency events

#### *Urban Affairs Committee*

Room 1200 - 1:30 PM

[LB915](#) (Lippincott) Change the number of authorized inland port districts under the Municipal Inland Port Authority Act

[LB988](#) (Meyer, G.) Change provisions of the Community Development Law

[LB976](#) (Andersen) Change provisions relating to sanitary and improvement districts

[LB1113](#) (Urban Affairs Committee) Change provisions relating to certain notices under the Community Development Law

### Wednesday February 18, 2026

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

Room 1507 - 1:30 PM

[LB969](#) (Hallstrom) Establish a database of financial information from counties and municipalities

#### *Judiciary Committee*

Room 1525 - 1:30 PM

[LB925](#) (Andersen) Adopt the Safe Parks and Public Spaces Act

[LB935](#) (Bosn) Provide for the award of costs and attorney's fees in certain actions involving political subdivisions

*Revenue Committee*

Room 1524 - 1:30 PM

[LB990](#) (Dover) Rename the School District Property Tax Relief Act as the Live Here Thrive Here Act and the School District Property Tax Relief Credit Fund as the Live Here Thrive Here Credit Fund and change the distribution of property tax credits under the act

**Thursday February 19, 2026**

*Government, Military and Veterans Affairs Committee*

Room 1507 - 1:30 PM

[LB919](#) (Sanders) Allow for the use of durable accessible mediums for public records

[LB923](#) (Clouse) Change and eliminate provisions relating to county records

[LB896](#) (Lonowski) Change fees related to marriage licenses and records

*Judiciary Committee*

Room 1525 - 1:30 PM

[LB1136](#) (Dungan) Require political subdivisions to identify authorized recipients of tort claims filed under the Political Subdivisions Tort Claims Act

[LB1171](#) (Moser) Provide for certain claims relating to sewer systems under the Political Subdivisions Tort Claims Act

[LB993](#) (McKinney) Provide a cause of action for deprivation of constitutional rights by a law enforcement officer, eliminate the defense of qualified immunity as prescribed, and change provisions of the Political Subdivisions Tort Claims Act and State Tort Claims Act

*Natural Resources Committee*

Room 1023 - 1:30 PM

[LB1028](#) (Juarez) Provide requirements for nutrient management plans and the application of livestock waste or litter

[LR298CA](#) (Brandt) Constitutional amendment to create requirements for the use of the Nebraska Environmental Trust Fund

*Revenue Committee*

Room 1524 - 1:30 PM

[LB1021](#) (Ibach) Change provisions related to penalties, proceeds, and distributed revenue the nameplate capacity tax

[LB1008](#) (Brandt) Change provisions relating to the amount of relief granted under the School District Property Tax Relief Act

[LB1186](#) (Cavanaugh, J.) Adopt the Affordable American Energy and Jobs Act and change distribution provisions relating to the nameplate capacity tax

**Friday February 20, 2026**

*Judiciary Committee*

Room 1525 - 1:30 PM

[LB1225](#) (Raybould) Change provisions of the Nebraska Juvenile Code relating to expedited appeals of motions to transfer to county or district court

[LB739](#) (Rountree) Change notice requirements for a petition to change an individual's name

[LB995](#) (Rountree) Require appointment of counsel for juveniles and provide duties for juvenile courts

[LB996](#) (Rountree) Prohibit the use of shackling or restraints on juveniles

[LB962](#) (McKinney) Adopt the Youth Reentry and Transitional Support Act

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