

NACO Legislative Report



March 28, 2025

[Video Report](#)

Paid Sick Leave Filibuster Ended

The Legislature wrapped up committee hearings this week and will begin full days of floor debate on [priority bills](#) on Monday. Priority bills that are likely to be scheduled for first-round debate next week include measures to bar the sale or manufacture of lab-grown meats in Nebraska ([LB246](#)), allow a lower minimum wage for younger workers ([LB258](#)), and exempt feedlots from brand requirements ([LB646](#)).

The Legislature spent much of this week in debate over proposed clarifications to the paid sick leave initiative approved by voters in November. A cloture vote on [LB415](#) was taken on Friday morning and the bill advanced from the first round of debate. The bill was designated as a priority bill by the Business and Labor Committee.

Governor Pillen signed bills this week to allow county boards to abandon section line roads without a traffic study ([LB373](#)) and to withhold state aid to governmental entities that fail to file an annual audit or meet budget limits ([LB123](#)).

Hearings Held This Week

Government, Military and Veterans Affairs Committee

County residents would be able to place questions on the ballot to enact, amend, or repeal matters related to county governance through initiatives and referendums under [LB629](#). Initiatives are used by the people to place measures affecting county governance on the ballot. Referendums allow voters to repeal an action of the governing body. Senator Brian Hardin, who introduced the bill, offered an [amendment](#) that would replace the original placeholder version of the bill with provisions copied from the [Municipal Initiative and Referendum Act](#). The amendment sets out the petition process, signature requirements, and other details.

While LB629 is aimed at county board decisions on wind and solar farms, similar proposals to authorize initiatives and referendums in counties were offered in the 1990's. Municipalities were given initiative and referendum authority in 1897 and authority for actions at the state level followed in 1912.

NACO testified that the public policy benefits must be balanced against the costs of presenting questions at special, primary and general elections. Senator Hardin suggested that the bill could be amended to reduce or eliminate the use of special elections. NACO also offered technical suggestions to the bill and the municipal provisions.

The Government, Military and Veterans Affairs Committee is expected to hold the bill for additional work over the interim.

Revenue Committee

[LB558](#) would create an infrastructure review task force to examine Nebraska's infrastructure network, needs, safety, economic impact, and other transportation issues. The task force would be comprised of representatives of the Executive and Legislative branches of state government: the Governor, the Speaker, committee chairs and other members of the Legislature, the Director-State Engineer of the Department of Transportation, and the Tax Commissioner. Senator Brad von Gillern, the introducer, suggested looking at options such as public-private partnerships and toll roads or other mechanisms to generate income from persons traveling through Nebraska. The current [road funding formula](#) is complex, with funding from motor vehicle fees, sales and registration taxes, fuel taxes, and other sources.

The committee also heard bills to create income tax deductions ([LB643](#) and [LB649](#) with [AM632](#)) and two shell bills that will be reserved for future use by the committee ([LB647](#) and [LB648](#)).

Judiciary Committee

This week the Judiciary Committee heard bills to expand political subdivisions' exposure to liability for tort claims for child abuse or the sexual assault of a child. [LB236](#) states that protections provided under the Political Subdivisions Tort Claims Act do not apply when the harm is a proximate result of the failure of a political subdivision or its employees to exercise reasonable care to control a person it has charge over. The Act, and comparable state torts laws, allow limited waivers of sovereign immunity for specific types of tort claims. NACO, NIRMA, and representatives of the Attorney General and school insurance pool testified in opposition to expanding the liability of counties and other public entities.

The bill is similar to last year's [LB25](#), which was vetoed by Governor Pillen due to concerns that it was too broad and burdensome on taxpayers. [LB156](#), a narrower version of LB25, would be limited to offenses that occurred on school grounds, in a vehicle being used for school purposes, or at a school-sponsored event. Senator Danielle Conrad prioritized LB156.

[LB706](#) would require law enforcement agencies to screen calls to identify those involving persons with mental health concerns. Upon identifying a call as a mental health priority, the dispatcher would notify the nearest unit that could be accompanied by a social worker trained in crisis intervention. The social worker would take the lead in interacting with the individual and using de-escalation measures to reduce the potential for violence or harm. Testifiers and committee members expressed support for additional resources for mental health care in these situations but were concerned about the ability to comply with the proposed mandate in rural areas with few mental health care providers and social workers.

[LB700](#) would revise prosecution and penalties for juveniles. It would prohibit out-of-state transfers for juveniles except in emergencies and promote the use of day and evening reporting centers. Because the only county juvenile detention facilities are in Douglas, Lancaster, Madison and Sarpy counties, the bill would increase county costs for transportation and staff time.

[LB395](#) was introduced on behalf of the Administrative Office for Courts and Probation to enhance existing language giving law enforcement access to sealed records for persons under age 25 when they apply for a gun permit. An amendment was offered on behalf of the State Patrol to allow certain information to be shared with the FBI.

[LB386](#) would enact a regional mental health expansion pilot program. The program would provide funding to a county law enforcement agency to expand mental health beds and encourage cooperation between law enforcement agencies serving the region.

[LB350](#) would shorten the time frames for holding hearings on commitment orders. It would require filing of paperwork directly with the court, rather than going through the county attorney.

[LB351](#) would strike requirements enacted in [2022](#) for the Lincoln Regional Center to provide a specified number of beds for certain categories of patient admissions. Senator John Cavanaugh, who introduced LB351 and the earlier legislation, said the artificial limits could result in beds being unavailable for other patients. Instead,

priority would be given to patients whose care in a state hospital is necessary to protect the public health and safety, persons determined by a court to be incompetent to stand trial, and patients committed by mental health boards. The concept was recommended by the Legislative Mental Health Care Capacity Strategic Planning Committee.

[LB600](#) would grant the Nebraska Department of Transportation authority to enforce variable speed limits and establish speed control enforcement in work and school zones.

[LB616](#) would authorize the use of red light cameras in Nebraska. Because Nebraska Supreme Court cases have held that infractions caught on camera are criminal acts and subject to due process, the bill would instead make violations subject to a civil fee. The fee could be waived if the driver took a driver safety class. If the driver did not take the class, the fee would be imposed when the driver renewed their license

Single License Plate Bill Advanced from Second Round

On a voice vote, senators advanced a bill from Select File that would require the use of one rear license plate, rather than two plates, beginning with the new plate cycle in 2029. Plates would be printed on demand and delivered by the Department of Motor Vehicles to the county treasurer or to the owner through the mail or another secure shipping method. Other provisions of [LB97](#) would allow vehicle owners to choose a multi-year registration period, remove notary requirements to obtain duplicate titles for transfers of totaled vehicles to insurance companies, and clean up technical issues proposed by the Department of Motor Vehicles.

Bills Advanced by Committees

Committees continue to send bills to the floor with committee amendments. A bill that proposes increasing documentary stamp taxes to provide more funds for affordable housing was sent to the floor with a committee amendment that would not change the current rate. Other provisions of [AM723](#) to [LB622](#) would set out reporting requirements for affordable housing grants. LB622 was not prioritized. [LB78](#), a bill that would increase doc stamp taxes by seven cents to provide housing assistance to sex trafficking survivors and domestic violence victims, is on Select File. LB78 was prioritized by the State-Tribal Relations Committee. Other documentary stamp tax bills, [LB468](#), [LB326](#), and [LB583](#) remain in committee.

[LB526](#), Senator Mike Jacobson's priority bill, would allow public power suppliers to pass the costs of infrastructure upgrades on to cryptocurrency mining operations. The bill as introduced would also have imposed an excise tax on the electricity used in these operations. This language was removed by a committee amendment. The bill is intended to limit excessive consumption of electricity without commensurate benefits in job creation and tax revenues.

[LB288](#), an Urban Affairs Committee priority bill, was introduced to redefine workforce housing to help develop rental and rent-to-own housing. A committee amendment would incorporate provisions from [LB450](#) to include grid resiliency projects within the Property Assessed Clean Energy Act (PACE) and provisions from [LB626](#) to allow the lack of affordable housing to be a condition for the creation of tax increment financing (TIF).

[LB317](#) would merge the Department of Natural Resources into the Department of Environment and Energy to create an agency called the Department of Water, Energy, and Environment. It was introduced at the request of Governor Pillen and designated as a Natural Resources Committee priority bill.

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