



8100 South 15th
Suite B
Lincoln, NE 68512

nard@nrdnet.org
(402) 471-7670

February 2, 2024

TO: NARD Board, NRD Managers and Conservation Partners
FROM: Dean E. Edson, NARD Executive Director
RE: February 2 NARD Update

General File Floor Debate

The Legislature continued to utilize morning debate this week to work through measures on General File. Most of the time for debate this week was spent on a filibuster of LB 31, Sen. Jacobson's priority bill that would require train crews of at least two individuals.

Following eight hours of debate, a 24-19 cloture vote on the bill failed to achieve the necessary 33 votes, effectively killing the bill for the session. The Speaker's agenda did again include LB 218, Sen. Ibach's bill to appropriate money for management of vegetation within the banks or flood plain of a natural stream, however, the body adjourned prior to getting to the measure.

Committee Action

LB 287 - Prohibit creation of joint public agencies under the Joint Public Agency Act. Brewer. Government Committee Priority.

The Government Committee advanced LB 287 to General File on January 30th on an 8-0 vote after adopting committee amendment AM 2060 on an 8-0 vote. AM 2060 removes all original sections from LB 287 and inserts provisions from six other bills LBs 47, 269, 302, 313, 513, and 514.

LB 302 and 513 are bills tracked by NARD and summaries of each follow:

- **LB 302 - Change provisions relating to conflicts of interest by certain officeholders and public employees. Linehan.**

Provisions of LB 302 were incorporated into LB 287 via AM 2060. This bill as amended amends the Nebraska Political Accountability and Disclosure Act. It removes a number of references to "city or village" and "city, village, or school district" and replaces them with the broader, more inclusive term "political subdivisions." The bill also provides that certain public employees must prepare and submit a written statement disclosing certain conflicts of interest or potential conflicts. AM 2060 strikes all instances of "person holding an elective office" and changes them to "public official." The amendment also clarifies that a reference to "salary" refers to an "annual" sum.

Previously, the Government Committee reported LB 302 to General File on February 24, 2023, with AM 503 following an 8-0 committee vote.

The Government Committee accepted testimony on the original LB 302 on February 16th, 2023.

Opening on the bill, Sen. Linehan offered an amendment that would clarify that public employees would only need to report if their salaries and benefits are over \$150,000. Her testimony included concern about a number of things in the newspaper where it looks like there's a conflict, but there's no record keeping of it. She noted there used to be more robust press, with more papers, and now it's difficult for press to follow trails, so we need to be more robust in what people disclose. She noted that it's not that you can't have a conflict, you just have to disclose it.

Proponents

Frank Daley, Executive Director, Nebraska Accountability and Disclosure Commission, testified in support of the bill. He noted that conflict of interest provisions applies to most, but not all political subdivisions. Secondly, he noted that currently they only apply to a limited number of public employees. He suggested that the amendment should clarify if a city administrator, clerk, or police chief is an official or an employee.

Opponents - There were no opponents. There was one letter of opposition submitted for the record.

Neutral

Jon Cannon, Executive Director, NACO, testified in a neutral capacity. He noted that having a clear process is important and NACO is not opposed to transparency. He noted that one concern is the struggle to attract and retain employees and the potential this may have on that.

During closing, Sen. Linehan asked the committee to work closely with Frank Daley and work to treat everyone the same.

- **LB 513 - Change proof of publication requirements for legal notices and published notice and virtual conferencing requirements under the Open Meetings Act. Brewer.**

Provisions of LB 302 were incorporated into LB 287 via AM 2060.

Previously, the Government Committee advanced the bill to General File on February 16, 2023, following an 8-0 committee vote.

The bill as amended incorporates a statewide website, to be completed in 2023, as a repository for public notices. The repository is to be established by a majority of Nebraska's newspapers.

The bill also proposes a two-step solution for situations where a newspaper fails to publish a public notice in cases of refusal, neglect or inability of the newspaper to timely publish the notice.

- 1) **Until January 1, 2025**, the public body shall (A) post such notice on its website, if available, and (B) post such notice in a conspicuous public place in such public body's jurisdiction. The public body shall keep a written record of such posting. The record of such posting shall be evidence that such posting was done as required and shall be sufficient to fulfill the requirement of publication.
- 2) **After January 1, 2025**, the public body shall (A) post such notice on its website, if available, (B) submit a post on a statewide website established and maintained as a repository for such notices by a majority of Nebraska newspapers, and (C) post in a conspicuous public place in such public body's jurisdiction.

The bill also provides two other changes for notices after January 1, 2025.

- I) (I) Publication in a newspaper of general circulation within the public body's jurisdiction that is finalized for printing prior to the time and date of the meeting, (II) posting on such newspaper's website, if available, and (III) posting on a statewide website established and maintained as a

repository for such notices by a majority of Nebraska newspapers. Such notice shall be placed in the newspaper and on the websites by the newspaper; or

- 2) (I) Posting to the newspaper's website, if available, and (II) a statewide website established and maintained as a repository for such notices by a majority of Nebraska newspapers if no edition of a newspaper of general circulation within the public body's jurisdiction is to be finalized for printing prior to the time and date of the meeting. Such notice shall be placed in the newspaper and on the websites by the newspaper.

Finally, the bill allows for any advisory committees of risk management pools and any advisory committee of any state entity created in response to the Opioid Prevention and Treatment Act to hold no more than one-half of its meetings by virtual conferencing.

The Government Committee accepted testimony on the original LB 513 on February 10th, 2023.

Opening on the bill, Sen. Brewer said he brought the bill on behalf of the League of the Nebraska Municipalities. This bill expands on the progress of Sen. Flood's 2021 bill.

Proponents

NARD presented testimony to strongly support using the websites for additional posting of upcoming meetings. All 23 NRDs have websites and have been posting meeting notices and minutes on their sites for years.

Developing a state public notice web system will help get information out to the public for meeting notices. We also support the provision in LB 513 to require the local newspapers and the Press Association to work together so we only have one contact to post online. It should not be the responsibility of the political subdivision to post in both. This can be streamlined as proposed in the bill.

One of the problems we have run into over the past several years, is the loss of local newspapers to run notices. This is a larger problem for rural areas.

An example is the Gothenburg Times, a weekly newspaper that had been in business for more than 100 years. It was the site for public notices for that community. Last spring, they made an announcement that they ceased operations immediately and there would not be any further publications. The website was taken down as well.

Not only did the political subdivisions lose out on the public notice for the next edition, but they also lost the local paper to publish notices permanently. Some had to cancel regularly scheduled meetings as the newspaper posting was not available and they would have been in violation of the Open Meetings Act. This could be an on-going problem.

There is also declining readership of a "hard copy" newspaper. The younger generation gets their news from other sources, not newspapers. This will lead to the problem outlined above of more papers shutting down. Right now, the only way we are reaching the younger generation about meeting notices is our websites and social media.

For example, recently the Lower Loup NRD had a proposed change to their water quality regulations. It cost the district just over \$30,000 to public notice the meeting in local weekly and daily newspapers circulated within the district. The district did have some complaints from some farmers that the meeting notice did not go out on Twitter.

We need to get ahead of this trend, so the public is informed of meetings.

Lynn Rex, League of Nebraska Municipalities, testified in support. The bill is a result of a negotiated agreement with Nebraska Press Association, NACO, NARD and the Nebraska Community Colleges. She spent her time reviewing the Open Meeting Act changes line by line with the committee. She outlined that the date of Jan. 1, 2024, allows the Nebraska Press Association a year to get their online platform up to host open meetings postings.

John Spatz, Nebraska Association of School Boards, testified in support. He gave a couple of real-world examples where these updates would help. If you have a meeting on Monday, you couldn't schedule the next special meeting for another week due to the timing of the newspaper. If the newspaper forgets to publish, you can't host your meeting, and this has happened to various school boards. He said their risk pool membership includes people from Scottsbluff, Chadron and Dundy County and that is a financial burden for them to drive to participate.

Elaine Menzel, Nebraska Association of County Officials, testified in support. We view 513 as a reasonable effort and appreciate the partnership with the press association to move forward with the alternatives proposed.

Robin Spady, Nebraska Municipal Power Pool and Nebraska Power Association, testified in support. She noted the bill would allow their interlocal group the Public Alliance for Community Energy (ACE) to be included in the virtual meeting process.

Kevin Edwards, Millard & Papillion Rural Fire District, testified in support. He noted the local newspaper did not print their meeting notice and they had to cancel and move their meeting, adding that alternatives would be helpful.

Opponents – There were no opponents.

Neutral

Dennis Derossett, executive director for the Nebraska Press Association, testified in the neutral. The Nebraska Press Association is one of the oldest associations now celebrating 150 years. He said the language they drafted was offered to deal with meeting notices of the public body and they wanted to accommodate a schedule for non-routine business items. The Press Association launched the statewide website in June 2021 and as of October 2022 all newspapers upload a public notice to their website after it appears in print. The statewide website is no cost to the government. Their intent with language is to advocate for transparency but also show our good faith intent to work with elected officials to find solutions to problems.

Four proponent letters were submitted for the record. Senator Brewer waived closing.

The Government Committee accepted testimony on the original bill LB 287 on March 24th, 2023.

Tony Baker, legislative aide for Senator Brewer, introduced the bill on behalf of the senator. He expressed that while joint public agencies have been used for constructive purposes, there are instances where they're being used for swimming pools or other purposes which the law was not intended for.

Proponents - There were no proponents.

Opponents

Jon Cannon testified in opposition to on behalf of NACO noting that counties have a constitutional levy limit of fifty cents but the last nickel of that can only be accessed through joint public agencies. He requested that if the committee were to advance the bill, they should restore the full fifty-cent levy to the counties.

Position letters were submitted for the record by two proponents and seven opponents.

Committee Hearings

LB 1412 - Provide, change, and eliminate appropriations for operation of state government, postsecondary education, state aid, capital construction, and federal funds allocated to the State of Nebraska from the federal American Rescue Plan Act of 2021. Speaker Arch, At the request of the Governor.

The bill proposes several changes to appropriations for FY 2023-24 and FY 2024-25 that were adopted last year.

Related to natural resources, the following changes are proposed:

DEPARTMENT OF NATURAL RESOURCES

Program No. 334 - Soil and Water Conservation – The bill proposes a General Fund decrease of \$127,396 in FY 23-24 and a \$2,445 decrease in FY 2024-25.

Program No. 314 - Critical Infrastructure Facilities Fund - The bill proposes a Cash Fund increase of \$50,000,000 in FY 23-24. The bill includes language providing \$50 million for a grant to a city of the primary class that utilizes more than 30 million gallons per day of water to be used for the design, construction, and implementation of additional water supply projects.

Program No. 319 – Water Projects - The bill proposes to decrease JEDI Cash Funds by \$10 million in FY 23-24 and \$25 million in FY 24-25. Additionally, the bill proposes to decrease Federal Funds appropriated to provide a grant to a city of the primary class that utilizes more than thirty million gallons per day of water to be used for the design, construction, and implementation of additional water supply projects by \$50 million in FY 23-24, this is offset by equivalent increase for this purpose in Critical Infrastructure Facilities Fund.

Water Sustainability Fund - The bill proposes to decrease the General Fund transfer by \$8.48 million in FY 2024-2025. Additionally, the reappropriation of the unexpended Cash Fund appropriation balance existing on June 30, 2023, is decreased by \$8.48 million. The bill specifies that none of the Cash Funds appropriated to this program shall be used for a rural drinking water project that serves rural water connections and at least four communities in two contiguous counties in order to convert to ground water sources and to provide for water system infrastructure and distribution.

DEPARTMENT OF ENVIRONMENT & ENERGY

Program 513 – Environmental Quality - The bill proposes a General Fund decrease of \$804,136 in FY 23-24 and a \$1,590,254 decrease in FY 2024-25.

Program No. 528 - Drinking Water Facilities Loan Fund - The unexpended reappropriation balance of the federal Coronavirus State Fiscal Recovery Fund pursuant to the federal American Rescue Plan Act of 2021, existing on June 30, 2023, less \$7 million is reappropriated.

The committee held the hearing on LB 1412 jointly with LB 1413 on January 30th – a summary of the hearing follows LB 1413.

Agency hearings will continue for the next few weeks. Agency 33, NGPC, is scheduled for hearing February 7th.

LB 1413 - Transfer and provide for the transfer of funds and create and change the use and distribution of funds. Speaker Arch, At the request of the Governor.

The bill provides for transfers of funds for state operations and changes the uses of funds. The bill authorizes many of the provisions proposed in LB 1412. Related to Natural Resources the bill proposes the following changes.

The Jobs and Economic Development Initiative (JEDI) Fund language is changed allowing transfers from the fund to the Cash Reserve Fund or the Critical Infrastructure Facilities Fund at the direction of the Legislature.

The bill proposes language authorizing the Critical Infrastructure Facilities Fund to be used to provide a grant to a city of the primary class that utilizes more than thirty million gallons of water per day to be used for the design, construction, and implementation of additional water supply projects.

The Appropriations Committee held a joint hearing on LB 1412 and LB 1413 on January 30th.

The bills were introduced by Governor Pillen's State Budget Administrator Lee Will. He discussed that these bills kick off the delivery of sustainable property tax reform, telling the committee we can no longer only slow down property taxes, but must provide a 40% reduction this year. He outlined that all the adjustments to the 31 cash funds would kick start those efforts and keep the budget in the black for six months while other plans to increase state tax revenues are made.

Will ended his testimony by noting that a transfer of \$9.5 million managed by NGPC is no longer recommended because it would impact federal funds.

The committee asked several questions about funds already being spoken for and projects already obligated funding. Will noted that despite working for the state for several years, he's never heard an agency say that funds aren't spoken for, further noting that his office worked closely with code agencies and they understand and are on board supporting that these funds can be freed up for property tax reform.

Sen. Dorn asked about the transfer from the STARWARS fund and if it would mean the project is done or what would be the long-term view following the transfer? Will discussed that from the fund \$50 million is transferred to Lincoln Water and \$35 million to the cash reserve, noting that through the process they discerned "what are nice" and "what are necessary" and a recreation lake was not necessary. Will further noted that the only STARWARS project amended was the Big Lake.

Proponents

The following directors of code agencies testified as proponents to the Governor's proposals.

Vicki Kramer, Nebraska DOT Director, testified to the impact \$87 Million in ARPA funds will have for interstate and highway work to safeguard and extend the life of pavement. Kramer noted the department will continue to work with contracting agencies to fully expend funds by the deadlines.

John Albin, Department of Labor Commissioner, testified that the proposed fund transfers will not impact the department's ability to pay unemployment benefits. He noted that the \$60 million transfer from the state unemployment fund comes at a time when the unemployment balance is at historically high levels.

Kelly Lammers, Department of Banking and Finance Director, testified in support noting his department supports the governor's recommendations. He noted the budget assumes 100% FTE and the Department tends to run as much as a 10% below full staff.

Jim Macy, NDEE Director, testified in support of the governor's budget. Macy noted that 404 dredge-and-fill efforts were paused at the request of the governor. Sackett vs EPA ruling throws uncertainty in federal definition of WOTUS and the new ruling is not yet finalized. Both could affect how Nebraska assumes 404 operation and in the meantime U.S. Army Corps of Engineers will continue to provide duties at no cost.

Macy testified that the Cedar-Knox Rural Water Project is proposed for reappropriation reduction as the project is planned to receive other funding through state and federal sources. Macy noted that for fair and equitable reasons, the needs of all residents in the state must be balanced. The department's state revolving fund coordinates and provides financial assistance to coordinate Nebraska water infrastructure needs and

funding for the rural water project will be on the priority list and it will also receive thorough consideration from other federal sources.

Macy also noted that NDEE supports the cutback of waste and litter recycling reduction funds.

Tom Riley, NeDNR Director, testified in support of the governor's budget adjustments. Riley provided a thorough overview of each proposed reduction. It was discussed that the Program 314 reduction in ARPA funds for Lincoln's second water source would be offset by a cash transfer from JEDI funds – so overall no net change of funding for the city project.

Riley outlined transfers from the JEDI fund, including a \$35 million transfer to the Cash Reserve in FY24 and a \$10 million reduction in FY24 and \$25 million reduction in FY25. It was noted the remaining funds would be used for two ongoing projects evaluating the proposed lake project impacts, ongoing project to repair a flood control structure in Colfax County damaged in 2019, and Wahoo Creek flood control structures in Saunders County.

Riley outlined a \$8.418 million decrease and corresponding cash fund reappropriation reduction to the Water Sustainability Fund (WSF) noting that language is included to ensure no cash funds would be used for the Cedar-Knox Rural Water Project. Riley noted reasons for this adjustment is the project has received substantial funding from other sources and a less expensive option was identified during feasibility study and there remains a lot of uncertainty in overall project costs, noting that is the case in a lot of funded projects.

Riley discussed adjustments to the soil and water conservation program 334, what is really the department's general operations, relates to adjustments from the CIO office.

Sen. Dover asked how much money is being taken from the Cedar-Knox Rural Water Project. Riley outlined that the funds NeDNR had for that project are \$8.4 million from the WSF awarded in 2022. Sen. Dover noted there were different plans for sourcing water, including contracting with the City of Yankton, SD, but Lewis & Clark NRD would need funds to enter that contract, does this jeopardize this? Riley, noted he couldn't speak to other contracts.

Sen. Clements noted that he's heard contracts are in place for the Colfax and Saunders Counties projects and asked if there will be funding available for the contracted amounts? Riley noted that with the \$10 million adjustment, funds would need to be adjusted to fit within the \$15 million cap for the four JEDI projects. Riley outlined that the contract for the Colfax County project is \$1.5 million, and the Saunders County Wahoo Creek contract is for \$19.6 million. He further noted that if the proposed adjustments are made, those contracts would presumably be adjusted to reflect what money is available in the fund. Sen. Clements asked what would become of contracts that are already signed? Riley noted that all contracts have provisions that based on availability of funding, the contracts could be reduced.

Sen. Clements asked about the Perkins County Canal fund interest being diverted and if there will be enough funds? Riley highlighted that we've seen inflationary pressure on labor and materials, and so he does anticipate some increase in costs. He highlighted current efforts to fine tune and develop a project that works within the money provided, further noting that with respect to interest, it is a good hedge against inflationary pressure. Sen. Clements followed up asking for the next two fiscal years, does the department have what it needs? Riley noted they do, the appropriation of \$62.8 million will fund ongoing efforts.

There was one proponent from outside the Governor's cabinet. Ryan McIntosh testified in support on behalf of the National Guard Association of Nebraska, Nebraska Volunteer Fire Fighters Association, and the Nebraska Fire Chiefs Association. His testimony noted their support of \$19.5 million in ARPA funds for rural EMS services.

Opponents

There were dozens of organizations that testified providing more than three hours of testimony in opposition to the proposed measures, these included but were not limited to: Nebraska Chamber of Commerce, Nebraska Beverage Association, Nebraska Grocery Industry Association, Greater Omaha Chambers of Commerce, Lincoln Chamber of Commerce, National Federation of Independent Businesses, Nebraska Retail Federation, Nebraska Public Service Commission, Nebraska Bankers Association, Nebraska Housing Developers Association, among many others.

Testimony in opposition was also provided by Lewis & Clark NRD General Manager Annette Sudbeck. Sudbeck began by thanking the committee, we know there are many important water projects before you. This committee has been supportive of our project from the beginning. We are extremely grateful. It is important to note that without the State's help this project cannot move forward.

I'm here testifying in opposition to the Governor's budget that takes away \$7 million in ARPA funds previously approved for our project in 2022 and removes access to \$8.481 million in Water Sustainability Funds that are also critical to the project.

As a quick overview, (map distributed), this project is in Sen. DeKay's district in Northeast Nebraska. It is a rural water project and spans two counties and involves an aging treatment plant and infrastructure including 400 miles of pipe.

Since I last testified just a little less than a year ago, a lot has happened with this project. Per the Governor's suggestion, we have entered negotiations with Yankton, SD, to be the water source for Cedar-Knox Rural Water Project. Those conversations are going well. If funding is available, we hope to sign a 50-year contract within the next couple of months.

The \$7 million in ARPA previously approved will be spent on Phase I of the project to complete updates to existing infrastructure. Just last week we received approval from NDEE to let bids for this work. Bids will be let on Feb. 6, with bid opening on March 7. Assuming the ARPA dollars are not swept, and we can sign contracts, work will commence this spring and early summer and we anticipate the work on Phase I should be complete by end of 2025.

Phase II includes establishing connection to the Yankton, SD, source by boring under the Missouri River and constructing the necessary infrastructure to tie into the existing system. Bid letting is estimated for the end of 2024 with construction beginning in 2025. Water Sustainability Funds, State Revolving Funds and customer fees will be needed to complete Phase II. Maintaining access to the Water Sustainability Funds is necessary for completing the project.

We have recently shared this updated information with the Governor's team and want to thank Lee Will for giving us this opportunity to share an update on this project. The governor indicated he would continue to work with Sen. DeKay to see where we stand after the bids come back for the distribution improvement system portion of the project. Unfortunately, the timing of your decisions on this budget comes before we have that information back, which is why we respectfully request that this committee restore the \$7 million in ARPA dollars and the \$8.481 million in Water Sustainability funds.

Sudbeck received several questions from the committee about the project, its operations, and its impact to the region.

Lower Platte North NRD General Manager Eric Gottschalk testified in opposition specifically to the transfer from the JEDI fund. He provided background of the \$22 million the district was awarded in JEDI funds and noted they are currently under contract with NeDNR for \$19.66 million.

Gottschalk highlighted that the district has proceeded with contracting and are underway with constructing ten watershed structures. They are at the 90% design phase for nearly all the structures, and through the

easement phase with the first three structures. They plan to move forward with construction this year on sites 26a, 26b and 27.

Gottschalk noted, without the JEDI funding, the district would not be able to proceed with this project. He expressed that the district has been fortunate to secure federal funds through NRCS, and the district is of the mindset to always utilize federal funds first, but federal funding cannot be used for any land rights, or any permitting.

Gottschalk expressed an understanding for the need to reduce cash funds, but noted funding for this project is critical and now that funds have been authorized and contracted it would be difficult to have the rug pulled out from underneath them after moving forward with final design and construction phase. He noted reducing the cash fund would be understandable but feel there is the need to at least maintain the amounts that support the projects that have already been contracted, including the \$19.66 million for the Wahoo Creek structures.

The committee reported no action on the measure.

LB 828 - 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. Blood.

The bill establishes a Pollinator Task Force for the purposes of: (1) Annually researching existing pollinators in Nebraska and the habitat for such pollinators; (2) Research issues relevant to pollinators in Nebraska and how to resolve those issues; and (3) Work with the Legislature to achieve a healthy and sustainable pollinator population in Nebraska.

Members of the task force shall include:

- Director of Agriculture or designee;
- Director of Natural Resources or designee;
- Director of Environment and Energy or designee;
- Director of the Game and Parks Commission or designee;
- Director-State Engineer of the Department of Transportation or designee;
- The following members appointed by the Director of Agriculture, subject to approval by the Legislature:
 - Representative of a state association of natural resources districts;
 - Representative of a recreation and park association;
 - Representative of a noxious weed control association;
 - Representative of a conservation organization;
 - One individual who commercially grows at least one specialty crop;
 - One individual who commercially grows crops that are dependent upon pollinators;
 - One professional educator who teaches about pesticide use or the environmental effects of pesticides;
 - One dealer as defined in section 2-2624;
 - One commercial applicator as defined in section 2-2624;
 - One beekeeper who keeps at least one apiary in Nebraska and is also a member of a beekeeping club or organization; and
 - One member of the general public who resides in Nebraska.

The Pollinator Task Force shall examine existing statutes, rules, regulations, policies, and practices in Nebraska and the United States relating to pollinators and pollinator habitat and develop a pollinator plan that includes the following:

- (a) How the state should focus efforts relating to understanding, preventing, and recovering from pollinator losses;

- (b) The food production systems in Nebraska that rely on pollinators and the impact on such systems without sufficient pollinators;
- (c) How the state should develop and coordinate education programs to promote public knowledge about the effects of the loss of pollinators and how private individuals and businesses can help address the loss of pollinators;
- (d) An evaluation of and potential risk-reduction solutions to pesticide:
 - (i) Use, storage, and disposal, including pesticide-treated seeds;
 - (ii) Nontarget contamination;
 - (iii) Exposure to pollinators;
- (e) Recommendations for developing public and private partnerships to encourage pollinator protection and increase the quality and amount of habitat and forage for pollinators;
- (f) Specific policies and practices that state agencies should adopt to enhance pollinator habitat on state-managed property;
- (g) Recommendations for promoting availability of native seeds and plants that are beneficial to pollinators;
- (h) The marketing and promotion of products derived from bees that are kept in Nebraska, including honey, queen bees, bee packages, nucleus colonies, products derived from bees or beekeeping, and products related to support for bees or beekeeping; and
- (i) Recommendations for legislative, administrative, and budgetary actions necessary to implement the pollinator plan.

The Pollinator Task Force shall submit the pollinator plan to the Legislature not later than November 1, 2026, and by November 1 of each year thereafter.

The Agriculture Committee held the hearing on LB 828 on Jan. 30th.

Sen. Blood's Legislative Aid Alex Maycher opened on the bill. The bill is a follow up to LB 735 to keep a beekeeper registry and educate beekeepers. There is a proposed amendment to remove mandatory participation for beekeepers. The goal is to include vested interest on the task force and to keep all groups working together. Main goals are research existing pollinators and their habitats and to work to achieve a healthy pollinator population in the state. He discussed the need for a registry due to no data on bee keeping in Nebraska. Pollinators are required to maintain our biodiversity.

Proponents

Jack Daniel, Beekeeper from Seward County, testified in support noting the Dept. of Agriculture dropped the bee program in the 1990s. He highlighted that a 3lb package of bees is \$160 and he is struggling to keep them alive. He requested an amendment to add Nebraska Entomology Department to the task force.

Al Davis, Nebraska Sierra Club, testified in support noting bees are critical to agriculture. Bees are vulnerable to pesticide and neonicotinoids. Parasitic and fungal risks to pollinators are increasing. The task force will improve communications and head off future problems.

Nick Bonham, Gardner from Omaha, testified in support noting the need to allocate resources to better understand ecological systems. He feels there is a need to get ahead of federal regulations and interventions.

Jennifer Hapwood, Society of Invertebrate Conservation, testified in support noting her group assists producers in installing pollinator habitat. Establishing a pollinator task force will benefit producers and help stakeholders work to use money efficiently to support pollinators.

Katie Lamke, Society of Invertebrate Conservation, is currently working on the Bumblebee Atlas to better understand the rapid decline of bumblebees. She noted the task force could help in conserving bumblebees.

John Hansen, Nebraska Farmers Union, testified in support noting the environmental challenges for beekeepers and a need to increase data sharing and collection. He said the task force would be a good place to start determining what tools are needed to improve outcomes for pollinators.

Opponents

Allie French, Nebraskans Against Government Overreach, testified in opposition noting the biggest concern was over the registry, which would be addressed in the amendment. Additional concerns are there are already a lot of groups doing this work, and this just seems like an opportunity to send another \$100,000 a year to UNL.

John Rudebusch, Nebraska Honey Producers Association, testified in opposition and provided a history of how prior laws have done more harm than good for commercial beekeepers. He noted the UNL Bee Lab work has fallen short and has provided no benefit to Nebraska beekeepers, becoming a complete waste of money. Bees should be treated more like livestock and proponents are using beekeepers to tag on additional pollinators.

Several individuals and hobby beekeepers testified in opposition. Common themes were that beekeepers are the best professionals and voluntarily take care of themselves, and this would be an overreach of government.

Neutral

Brad Plantz, hobby beekeeper, discussed that the task force would be critical for advisement if structured correctly. He noted that the task force needs to include more beekeepers.

Brian Nilson, hobby beekeeper, stated he was happy to see removal of registration as it would be cost prohibitive. Voluntary infrastructure already exists in the state that could be used, including Cropwatch. Nilson noted issues with the composition of the task force asking that it include more beekeepers, including representatives from both hobby and commercial operations.

Mike Wrobel, Beehive business owner, noted that pesticide and mite issues can be devastating, and appreciate some of the accountability pieces that this bill would provide.

Dr. Judy Wu-Smart, UNL Bee Lab Professor, noted that bee keeping operations are rapidly changing and as specialty crops grow there is an increasing need for pollinators. Honey production per colony hives is decreasing and costing beekeepers revenue. Making these things a legislative mandate would help increase availability of information for keepers. Funding would help establish the program for inspections; however, an unfunded task force would just require agencies to work with the University. Currently agencies say it is not their purview to be actively involved and this task force would facilitate that.

Bill Hawkins discussed that this should be two different bills, one for the task force that needs to be developed. Additionally, commercial beekeepers need to be regulated and monitored and the bee lab is needed.

Position comments were submitted for the record by twenty five proponents, six opponents, and one neutral.

The Committee reported no action on the measure.

LB 831 - Change provisions of the Noxious Weed Control Act and provide for control of restricted plants. Blood.

The bill adds “restricted plants” that can be regulated under the Noxious Weed laws.

A restricted plant is defined as any non-native plant species that is designated and listed as restricted in rules and regulations adopted and promulgated by the director.

The Agriculture Committee held the hearing on LB 828 on Jan. 30th.

Sen Blood's Legislative Aid Alex Maycher opened on the bill. He explained the reason for legislation is that the current act does not go far enough to restrict plants that threaten the ecosystem. The current act does not define noxious weeds, but just mentions the need to control plants.

An example was provided of the Callery Pear, non-native trees that crowd out native species, but current law makes it unable to respond to species such as these. An amendment was made to add ecological threats and also removes penalties, and instead uses existing protections in the act. The Dept. of Agriculture would still be tasked with defining noxious weeds but would need to do so with ecological impacts in mind.

Proponents

Trevor Pellerite, Grasslands Unlimited, testified in support noting that invasive species are the greatest threat to native ecosystems. He said changing the definition of noxious weeds would be consistent with other states and give the state jurisdiction over species and add ecological impacts as a required consideration. The Nebraska Invasive Species Council maintains a list of species of concern, many are actively sold, examples include the Callery Pear, Crown Vetch and Amur Maple, all three have significant negative impact on prairie. He noted that he worked at a nursery and saw people leave with species on the concern list.

Opponents - There was no opposition testimony.

Neutral

Todd Boller, Nebraska Weed Control Association, noted he felt the current noxious weed act is effective and sufficiently addresses ecological concerns. He noted it provides education on more than just noxious weeds, including education on those listed as invasive by the Council.

Beth Bazyn Ferrell, NACO Legal Counsel, noted concerns about cost and enforcement mechanisms; however, the amendment addresses those.

Position comments were submitted for the record by six proponents and one opponent.

The committee reported no action on the measure.

LB 1241 - Change provisions relating to property tax levy limits. von Gillern.

The bill places limits on taxing growth in valuations.

Under the bill, in addition to the existing levy limits, if the total taxable valuation of property in a political subdivision exceeds the total taxable valuation from the prior year, then such political subdivision shall be subject to an additional levy limit calculated as follows:

The percentage increase in the political subdivision's total taxable valuation shall be determined; and then the political subdivision's levy rate from the prior year shall then be decreased by the same percentage.

The decreased levy rate shall be the maximum levy rate that such political subdivision may impose in the current year.

Senator von Gillern has introduced an amendment (AM 2135) to strike the original bill and replace it with the following:

If the total taxable valuation of property in a political subdivision exceeds the total taxable valuation from the prior year, then such political subdivision's levy shall be no more than the levy necessary to raise the exact same amount of property taxes as was raised by such political subdivision in the prior year.

The Revenue Committee held the hearing on LB 1421 on Jan. 31st.

Opening on the bill, Sen. von Gillern discussed that this measure would eliminate windfall gains that occur with valuation increases. Budgets have outpaced inflation in recent years. He noted he's willing to work with NACO and others to create opportunities for override, noting growth needs to be allowed and accommodated in some way. He noted the first draft isn't always the best draft and that the bill is not intended to put schools or counties in a bad place.

Sen. von Gillern addressed an amendment that changes the original draft from continuous decreases, to starting at the previous year's baseline. He closed by noting that from 2013 to 2023, if just increased for inflation property taxes would have increased 28%, but instead actual property tax revenue has increased 49%. Noting that local taxing authorities need to stop pretending that taxes didn't go up.

Proponents

Doug Kagan testified in support on behalf of Nebraska Taxpayers for Freedom. Taxing authorities raise additional funds due to valuation windfalls and this would force budget decrease. These measures must be part of Governor's tax relief plan and would help keep Nebraska residents here.

Mark McHargue testified in support on behalf of Nebraska Farm Bureau and Ag Leaders. Even though we've done significant work, the question of property taxes keeps coming up because people don't feel the relief. At some point there must be something fairly radical done, and this bill gets into that category. The value of our real estate going up is a good thing, but we should not be terrified of the property tax bill that comes with it. One of the biggest costs of home ownership is property taxes. Ag property taxes have gone up over 200% in some cases. Personally, my property taxes are a very significant cost compared to my other costs for the farm, and it makes it hard to compete with other ag states.

Nicole Fox, The Platte Institute, testified in support noting this is a policy solution from their tax policy brief. There is a need for greater accountability and taxpayers deserve transparency. Currently taxes can go up without legislative action and the best way to protect taxpayers is to cap tax increases from one year to the next.

Bruce Bohrer, Lincoln Chamber of Commerce, testified in support. We consider this levy rebalancing or zero-waste budgeting. We see this effort as truth in taxation. The public is being manipulated by the information when a political subdivision says they didn't increase the levy rate but are collecting more due to the increased valuation. We want people to be more engaged and participate in the process related to their taxes.

Bob Hallstrom, National Federation of Independent Business and Nebraska Bankers Association, testified in support noting this bill is about fundamental fairness.

Several individuals from Douglas and Lancaster Counties testified in support noting their property taxes are too high.

Opponents

Dozens of opponents provided testimony, including several individuals and many organizations not limited to the following: Nebraska Association of County Officials, Greater Nebraska Schools Association, Sarpy County Board of Commissioners, Nebraska Association of School Boards, Lincoln Public Schools, Omaha

Public Schools, Nebraska Community College Association, Open Sky Policy Institute, many school districts, several rural fire districts, elected school board members and county commissioners.

Opponent testimonies noted the bill would freeze revenues and limit their growth in providing services for their residents. Schools noted that more than half of their budgets are teacher salaries, and this bill would prevent them from offering competitive pay. Schools also noted that previous legislative changes have caused losses in equalization aid, and some schools now need property taxes to make up the shortfall. Several counties and fire districts noted this bill would limit their growth and make it difficult to support their newest infrastructure.

Testimony in opposition was provided by Dean Edson, NARD. I want to state up front that we are not opposed to property tax reform. The natural resources districts are very concerned about the heavy reliance on property taxes to fund schools and other political subdivisions.

We will work with the Legislature and Governor Pillen on reasonable property tax reform measures. We support reforms that reduce property tax reliance and provide adequate funding for both rural and urban areas.

We oppose restrictions on local budgets that harm the ability of local governments : 1) To implement programs and projects to meet federal and state mandated programs; 2) Make local annual adjustments to meet the needs of the local citizens; 3) Adequately fund both rural and urban needs; and 4) Provide local funding for efficient natural resources programs that protect water quality, water quantity, soil, property and the economy.

The provisions in LB 1241 forces property taxes to go down but it does not take into consideration what needs to be funded. Under the bill as written, as long as valuations go up, taxes would go down as it would tie to the previous year's levy.

I would like to point out some state actions that have forced the districts to increase their budgets in the past.

- In 2001, the legislature repealed a fertilizer tax that provided \$2.5 million in funding for water quality programs. Senators at the time looked at NRD budgets and decided that it should be shifted back to the NRDs because we were not at our maximum levies.

A state fund was put in place to provide about \$1.1 million, but then also required 160 % match by NRD property taxes to make up the difference. The state fund has not been increased since 2001 and any additional funding needs must be made up with local property taxes.

- In 2004, LB 962 required NRDs in over appropriated areas of Nebraska, as designated by the Nebraska Department of Natural Resources, to create Integrated Management Plans (IMPs). These plans are an incremental approach aimed at achieving and sustaining a fully appropriated condition while maintaining economic viability, social and environmental health, safety, and welfare of the Basin.

The initial increment of IMPs required NRDs to offset over 18,400 ac/ft of depletions to the Platte River upstream of Chapman. To meet these requirements, NRDs were confronted with the choice of implementing potentially devastating regulations, posing a threat to local economies, or seeking alternative options for returning water to the river. NRDs were able to meet the mandates of the initial increment by pursuing studies, conjunctive management projects, irrigation retirements, and leases. However, these efforts came at a cost of more than \$57 million to local NRDs.

NRDs in the over appropriated area of the Upper Platte Basin now find themselves in the middle of the required IMP's second increment. Not only are NRDs tasked with the costly endeavor of maintaining the actions implemented during the initial increment, they also must implement further

programs and projects to offset additional depletions that exceed those required during the first increment.

- In 2006, LB 933 was passed to require NRDs in the fully and over – appropriated areas designated by the state to provide each municipality in the area up to 25 million gallons annually for growth. The NRDs are forced to go out and purchase water from other existing producers to provide that growth.
- In 2011, state aid to NRDs was eliminated. This was \$1.4 million at the time. It had been higher in previous years.
- In 2018, the Legislature eliminated the authority of NRDs to levy up to 3 cents to fund and implement ground water management activities and integrated management activities under the Nebraska Ground Water Management and Protection Act.

Moving forward, the NRDs are working with producers, ag industries and communities, new technologies are becoming available to assist producers to become more efficient.

For example, we are working with the Corn Board, producers, and ag industry to develop a new mobile app to help reduce over-application of fertilizers and increase productivity. This will be released in May of 2024. In addition to the cost of development, there will be ongoing cost for this.

We are also working with the ag groups and other organizations on Full Value Ag. There are many components to this, and the NRDs are willing to assist in this process. This includes coordination with the ag producers and industry on remote sensing for water and nitrogen use. The Twin Platte NRD has invested in such sensors for producers, and they have been successful. Other districts are interested in implementing such programs.

As the NRDs navigate the complexities of water management, we ask the legislature to consider the on-going commitment to keep Nebraska #1 in water management and efficiency. The current and evolving demands necessitate a thoughtful and collaborative approach to spending. The cost of water is not going down. The provisions of LB 1241 ignore these needs.

No neutral testimony was provided. Position comments submitted for the record included five proponents, fifteen opponents and one neutral.

The committee reported no action on the measure.

LB 1406 - Provide for an active-duty military permit for state park entry. Sanders.

An active-duty military permit may be purchased by any individual who is active-duty military and shall be valid through December 31 in the year for which the permit is issued. The fee for the veteran permit is five dollars, regardless of residence.

To qualify for an active-duty military permit, the individual shall present: (a) Such individual's military identification card; or (b) A copy of such individual's DD Form 214.

The Natural Resources Committee held the hearing on LB 1406 on January 31st.

Sen. Sanders opened by providing a summary of the bill. Noting this is one simple way we can honor our active military members.

Proponents

Ryan MacIntosh, testified in support on behalf of the National Guard Association. The one recommendation he had was to extend this to include individuals actively serving in the national guard reserve. Currently, approximately 4,700 active duty personnel reside in Nebraska with less than 5% of those individuals being an out-of-state resident.

Jeff Fields, Nebraska Game and Parks Division Administrator, testified in support. Fields expressed gratitude to the brave men and women who serve our country. This is a small gesture of appreciation for their service. He highlighted the current benefits offered by NGPC to veterans and this would further extend opportunities to military personnel. He noted it would have minimal impact to the state park systems financially.

John Winkler, Papio Missouri NRD General Manager, testified in support on behalf of NARD. Winkler discussed that he is a current member of Offutt Advisory Council (OAC). The OAC mission is to support the men and women in uniform at Offutt Airforce Base. Winkler highlighted all the activities the OAC offer to Offutt military personnel, which highlights the low incomes of the E4 rank and below. Nebraska is the best place for community support and this bill supports that. Offutt personnel are very limited on areas they can recreate. While Nebraska does a good job honoring our veterans sometimes active military get overlooked.

During questioning, Sen. Bostelman questioned if this is something the NRDs have considered? John noted that all Papio NRD recreation areas are free for public access. Sen. Bostelman noted that is not the case for all NRDs and asked if this is something other districts should consider.

Opponents - There was no opposition.

No neutral testimony was provided. Position comments submitted for the record included one in support.

The committee reported no action on the measure.

LB 1199 - Repeal provisions relating to certain administrative fees imposed by the Department of Natural Resources. Moser.

The bill repeals Section 33-105 relating to the following fees imposed by the Department of Natural Resources.

(1) For filing, recording, and examining each application for a storage reservoir, for the first 5,000 acre-feet or fraction thereof, \$25, and for each additional 5,000 acre-feet or fraction thereof, \$10;

(2) For filing, recording, and examining each application for, or application for modification of permits to include, intentional or incidental underground water storage and recovery, \$500;

(3) For filing, recording, and examining each application for water for irrigation from a natural stream, for the first 1,000 acres proposed for irrigation or fraction thereof, \$200, and for each additional 1,000 acres or fraction thereof, \$100;

(4) For filing, recording, and examining each application for water for irrigation from a storage reservoir, for the first 1,000 acres proposed for irrigation or fraction thereof, \$50, and for each additional 1,000 acres or fraction thereof, \$25;

(5) For filing, recording, and examining each application for water for power purposes, for each theoretical 50 horsepower or fraction thereof, \$5;

(6) For filing, recording, and examining each application for withdrawal of ground water for industrial purposes, for the first 4,000 acre-feet or fraction thereof, \$1,500, and for each additional 1,000 acre-feet or fraction thereof, \$750;

- (7) For filing an application to amend a permit for withdrawal of ground water for industrial purposes, \$500;
- (8) For filing any petition, affidavit, other paper, or application for which no fee has been fixed, \$10;
- (9) For recording any deed or document pertaining to land covered in whole or in part by a water appropriation or any instrument other than an application, \$10; and
- (10) For certificate and seal, \$1.

These fees are currently remitted to the General Fund.

The Natural Resources Committee held the hearing on LB 1199 on February 2nd.

Sen. Moser opened on the bill noting that the bill removes fees within the Department of Natural Resources, which will speed-up and streamline administration accounting costs and lower citizen costs to conduct business with the department. He said the fees are insignificant and do not impact the department's budget or operating costs. The Nebraska Department of Natural Resources requested Sen. Moser bring the bill.

Proponents

Tom Riley, NeDNR Director, testified in support noting the majority of the fees are \$1, \$5, \$10 and \$25 and the department must have a physical check. Riley said to process the check it costs three times what is collected with the fee. Eliminating these fees will also facilitate for electronic filing, which will be more efficient and reduce administrative accounting costs.

There was no opponent or neutral testimony.

One proponent letter was submitted for the record by NARD.

The committee reported no action on the measure.

LB 1242 - State intent to appropriate funds to the Board of Regents of the University of Nebraska. McDonnell.

The bill appropriates \$350,000 from General Fund in FY 24-25 to the board of regents of University of Nebraska for the purposes of studying the ability of using roof-collected rainwater as a safe and sustainable source of drinking water.

The bill states it is the intent of the Legislature that this research initiative investigates the effectiveness of various filtration and purification methods in removing chemical and biological contaminants from rainwater, with the goal of providing a reliable alternative water source for household use.

The Appropriations Committee held the hearing on LB 1242 on February 1st.

Senator Mike McDonnell opened by noting the bill proposes a forward-thinking solution to study roof collected rainwater as a safe source of drinking water. This is about innovation and adaptability not just conservation. It would study how to remove chemical and biologicals contaminates from rainwater for drinking water.

Proponents

Dr. Bing Chen, UNL Engineering Professor, provided a comprehensive overview of the project's objectives and achievements. Professor Chen has been a part of renewable energy research for five decades. When Chen thought of the small house movement in California and Nebraska's aging population, Chen decided to

develop a small house research project using everything he has learned about renewable energy over the last 50 years. His innovative design resulted in a building that not only meets the 2050 IEA energy standards, but also stands as a pioneering example of sustainability, achieving carbon neutrality.

Professor Chen elaborated on the project's methodology for ensuring water safety. By assessing potential contaminants such as heavy metals and pathogens, including bacteria, viruses, and amoebas, the project seeks to implement a comprehensive water quality system. The system samples water at various stages, from the roof and initial filtration system to the collection system and ultimately the tap. Through rigorous analysis, the project aims to identify and mitigate any impurities, ultimately presenting a viable solution for safe, potable rainwater consumption.

In closing, Senator McDonnell highlighted Chen's passion on this project and said he would get detailed information on how much money has been spent so far and how it has been spent. McDonnell appreciates Chen and his students who have worked on this project.

Opponents - There was no opposition and no neutral testimony, and no online comments.

The committee reported no action on the measure.

LB 925 - Adopt the Firearm Industry Nondiscrimination Act. Aguilar.

The bill would prohibit state agencies and political subdivisions from entering a contract with a company for the purchase of goods or services unless the contract contains a written verification from the company that it:

- (a) Does not have a practice, policy, guidance document, or directive that discriminates against a firearm entity or firearm trade association; and
- (b) Will not discriminate against a firearm entity or firearm trade association during the term of the contract.

The requirements of the act would not apply if a governmental entity:

- (a) Contracts with a sole-source provider; or
- (b) Does not receive a bid from a company that is able to provide the written verification.

Firearm entity is defined in the proposal as:

- (a) A firearm, firearm accessory, or ammunition manufacturer, distributor, wholesaler, supplier, or retailer; or
- (b) A gun range.

Firearm trade association is defined in the proposal as any person, corporation, unincorporated association, federation, business league, or business organization that:

- (a) Is not organized or operated for profit and for which none of its net earnings inures to the benefit of any private shareholder or individual;
- (b) Has two or more firearm entities as members; and
- (c) Is exempt from federal income taxation under section 501(a) of the Internal Revenue Code of 1986, as an organization described by section 501(c) of such code.

A contract is defined as a promise or set of promises constituting an agreement between the parties that gives each a legal duty to the other and the right to seek a remedy for the breach of those duties. The term does not include an agreement related to investment services.

The Government Committee held the hearing on LB 925 on February 1st.

Opening on the bill, Sen. Aguilar outlined how the bill would prohibit state and local governments from entering into contracts with companies that have policies discriminating against firearm and ammunition industries. Financial and insurance industries are using their power to financially cripple ammunition and shooting sports industries. Private corporations are using their power to restrict constitutional right and this policy would shed light on those organizations.

Sen. Aguilar offered an amendment that provides that government entities may still use companies that offers a bid because no other reasonably competitive alternative exists and the duties could not be met through other means.

Proponents

Nephi Cole, National Shooting Sports Foundation, testified in support outlining that companies making a choice to restrict the Second Amendment should have to tell you that, and when the state can, you should do business with someone else. Members have a history of being discriminated against by banking and insurance industries through denial of services. Additionally, companies have been penalized for doing business with member companies.

Ken Schilz, National Shooting Sports Foundation, testified in support and discussed how this legislation would protect Nebraska's long standing culture of shooting sport activities. This bill provides transparency necessary to ensure Nebraska does business with those whose view aligns with those of the state.

Steve Hornady, Hornady Manufacturing, testified in support of the bill noting discrimination has been implemented at the highest levels of government. Five states have already passed similar legislation and several are currently considering similar measures. Financial discrimination directly impacts the more than 1,200 employees at their company. His company has experienced credit card processing discrimination and increased fees because of the class of business. They've been cancelled by insurance carriers due to woke policy and discriminatory reasons against the industry.

John Heaston, Nebraska Sportsman Foundation, testified in support noting Nebraska is great place to hunt and trap and it has fueled industries that bring countless dollars to our state. These companies provide critical products and are great ambassadors for our state. Heavy political pressure has led banks to circumvent firearm industry and this has become an avenue for them to target.

John Ross, NRA member and volunteer Hunter Education Instructor for Game & Parks, testified in support. People in this state do not want the Second Amendment trampled on. We need fair laws to protect all the lawful businesses in this state.

Opponents

Robert Bell, Nebraska Insurance Federation, testified in opposition. Many local insurance companies have reinsurance insurance with nationwide holders and believe this bill could shrink the pool of insurance companies available to do business with. Insurance companies have various reasons/policies for who they provide insurance for. Due to the paperwork that the bill is asking there is concern about a perceived notion that the insurance company could be discriminating and might get complaints against them and are not comfortable with that risk.

Robert Hallstrom, Nebraska Bankers Association, testified in opposition noting this bill is a solution in search of a problem and this is not a problem in Nebraska. Banks do not want the government telling them who they should and should not be doing business with. There is a difference between risk and

discrimination. Some bankers and insurance companies are not willing to take on the risk, but that does not mean they are discriminating.

Position comments submitted for the record included eleven proponents and seven opponents.

Sen. Aguilar closed by noting this is a simple bill about fairness and discrimination. If you are an insurance or financial institution and you are not being discriminatory, you have nothing to worry about. This is targeted toward the bad players.

The committee reported no action on the measure.

LB 1018 - Provide that positions of public employment shall not require a postsecondary degree and require equal consideration for non-degree-holders' wages and benefits. Holdcroft.

The bill proposes that as a state agency or political subdivision of the state, shall not require that an applicant for public employment possess a postsecondary degree, provided the applicant has qualifying career and life skills.

The bill includes the following exceptions:

- (a) The University of Nebraska or state colleges;
- (b) The judicial branch of state government;
- (c) Positions for which a postsecondary degree is required by state or federal law; or
- (d) Positions for which application of this section would jeopardize federal funding.

The Government Committee held the hearing on LB 1018 on February 2nd.

Sen. Holdcroft opened by outlining provisions of the bill and discussing that IBM, Delta Airlines, and Bank of America have all removed their degree requirements. Sixteen states do not require college degrees (Maryland being the first). Fewer people are getting post-secondary degrees, and the job market is getting smaller.

Proponents

Laura Ebke, Nebraska Platte Institute, testified in support noting that the bill states that life skills are more important than degrees. Degrees do not make the person and this measure would make a statement.

John Gage, American's for Prosperity, testified in support outlining that life skills are important, and a degree is just a plus.

Ally Perkins, Cicero Action, discussed that college degrees mostly lead people out of public jobs. Two-thirds of Nebraska adults lack a college degree.

Jason Witmer, ACLU of Nebraska, testified in support, outlining that Nebraska has a 2.3 % rate of unemployment, and emphasized the number of open jobs. This bill would open a fair and inclusive job environment.

Opponents – There was no opposition testimony.

Neutral

Justin Hubly, Nebraska Association of Public Employees, testified in neutral capacity noting there are barriers and we should take them down. Anyone who has five years experience is more qualified than someone who has no experience but has a degree. Should make sure the job fits the experience.

Jason Jackson, Department of Administrative Services, testified in a neutral capacity and outlined that this bill is similar to the Pille Administration approach, and this bill helps get the widest range of applicants.

Position comments submitted for the record included two proponents, two opponents, and one neutral.

Senator Holdcroft has filed an amendment to make the bill applicable to only state employees.

The committee reported no action on the measure.

LB 1131 - Appropriate funds to the Department of Environment and Energy for grants for tribal-owned community drinking water and sewer systems. Raybould.

The bill proposes \$10 million from the General Fund for FY2024-25 to the Department of Environment and Energy for the purpose of issuing grants to improve tribal-owned community drinking water and sewer systems.

The bill also includes an emergency clause.

The Appropriations Committee held the hearing on LB 1131 on February 2nd.

Kate Wolfe introduced LB 1131 on behalf of Senator Raybould stating this funding would be a step towards funding our water crisis. This bill would issue grants to tribal owned community water systems. There are water quality issues on Winnebago, Omaha, and the Santé Sioux reservations. Santee Sioux reservation has been living for four years without safe drinking water.

Proponents

Kameron Runnels, Vice President of Santee Sioux Nation, testified in support noting two years ago he testified in support of another tribal water infrastructure bill. In 2019, the EPA initiated a no-drink order due to high levels of manganese (10x the drinking water standard). Currently, the tribe is ordering 15-20 pallets of water every two weeks costing approximately \$7,000. The tribe is pursuing connecting to a water line which would be a long-term solution. The project could cost \$50-60 million which will require funds from multiple sources. This is not just a Santee issue it's a tribal issue across the state. We need this bill to help us get clean water. Water is life yet we cannot drink water from our kitchen sink or brush our teeth.

Clinton Powell, Pinpoint Corporation, testified in support noting the federal government identified this issue as early as 2000. It's gone through three federal studies and it consistently shows the local water source is hard to meet the drinking water standards, mainly for manganese, but also other contaminants. In the last year the Santee Sioux Tribe has completed a USDA rural development report identifying \$63 million in total projects. The environmental concerns are minimal on a project like this because the pipeline would be constructed in the road right of way. This is also a rural water problem and there would be potential to tie into other rural water systems. This project is shovel ready, and putting together the funding is where we are at. South Dakota has also committed to this project.

Victoria Kitcheyan, Chairman of Winnebago tribe of Nebraska, testified in support of the bill. The Winnebago Reservation has 2,737 resident with 67% being Native American and the other 33% non-Native American. The village of Winnebago sewer system is unique and is connected and serves all residents of the tribe regardless of where they live. The tribe is eligible for some federal funding but the funding is limited and doesn't cover all needs. The quality of water in Winnebago continues to be classified as unacceptable. Access to safe drinking water is a necessity for everyone. Victoria highlighted the many challenges on the reservation including but not limited to over crowded houses, lack of health care, and no safe drinking water.

Joy Johnson, Winnebago Tribe of Nebraska, testified in support noting her family has resided on the reservation for over 135 years although they are not Native American. Joy highlighted the Winnebago Tribe is a major employer in northeast Nebraska and the population has grown by 9% since 2000 and its growth is expected to continue. To help support this growth the tribe has put substantial resources into housing infrastructure. However, there is a need for matching funds to the federal funds that are requested and those funds are lacking. The funds requested here would allow the tribes to be able to leverage those federal funds.

Al Davis, Sierra Club, testified in support listing all the sources contaminating our water resources including but not limited to feedlots, fertilizer, and AltEn. Tribal lands are located in areas of worsening water quality and kicking the can down the road is not solving the problem. Al encourages the state to do a study on our water quality and how to reverse the degradation.

Judi gaiashKibos, Director of Indian Affairs, testified in support highlighting that this bill was introduced two years ago and the committee supported the bill at that time but the governor did not. It's important to look at how important water is to our state. Water is life. gaiashKibos is thankful she lives in Lincoln and has access to clean drinking water but the tribal nations are not so lucky. Santee Sioux has done a lot of things on their reservation but they don't have clean drinking water. The Ponca Tribe has been asked to bring millions of dollars to the table for the STAR WARS project but they don't have clean drinking water. Judi asked the committee to come together and collaborate with the tribes so they have something we can celebrate.

Opponents – There was no opposition and no neutral testimony.

Position comments were submitted for the record by three proponents.

The committee reported no action on the measure.

LB 1179 - Appropriate funds to the Department of Natural Resources. Wishart.

The bill proposes \$1.2 million from the General Fund for FY 2024-25 to the Department of Natural Resources for the purpose of issuing a grant to a natural resources district whose territory encompasses a county containing a city of the primary class in order to fund high-priority flood mitigation projects identified by the district and being completed by the district in collaboration with at least one other political subdivision.

The Appropriations Committee held the hearing on LB 1131 on February 2nd.

Senator Wishart opened by outlining how the bill seeks to appropriate \$1.2 million to NeDNR for the purpose of projects in the Lower Platte South NRD. The main reason for these projects is flood mitigation for public safety. Flood mitigation in Lincoln and Lancaster County is one of the number one priorities for residents. We are seeing increase growth in terms of neighborhoods and we want to make sure we can support those new neighborhoods with flood protection.

Proponents

Mike Sousek, General Manager of the Lower Platte South NRD, testified in support of LB 1179. Sousek testified to carry out our mission we create partnerships to accomplish everything we need to accomplish. Sousek provided a summary of previous planning efforts, Master Plan efforts, and projects identified through those planning efforts. The Master Plan identified 160 projects with approximately sixty priorities. Lower Platte South NRD has spent \$24 million to complete those sixty priority projects. The \$1.2 million will address two projects from the priority list. Currently the Lower Platte South NRD has three projects in the works.

As the city of Lincoln continues to grow infrastructure becomes a concern. Middle Creek project, will install grade control structures with the goal to keep the stream where it is at and protect infrastructure around the stream.

Hanes Branch would address bank erosion that is threaten west Van Dorn Street. The project will protect west Van Dorn Street and the Prairie Corridor Trail at Pioneers Park. These projects will involve multiple partners to see to completion.

During questioning, Sousek highlighted how the NRD has been fiscally conservative and have not increased their levy the last four years. It's hard to keep up with the cost of these projects without increase in funding.

Opponents – There was no opponent or neutral testimony.

In closing, Sen. Wishart highlighted how much the appropriations committee has focused on water projects over the last few years. The NRDs invested a lot of their own dollars into these projects and we hope the committee will consider helping. The committee also commended the NRD for not having any administrative fees associated with this appropriation.

Position comments submitted for the record included six proponents.

The committee reported no action on the measure.

LB 1366 - Change provisions relating to the use of eminent domain. Cavanaugh, J.

The bill proposes that a political subdivision of this state shall not take property through the use of eminent domain under sections outside of the boundaries of such political subdivision unless a majority vote of the governing body of the county, city, or village where the property is located approves such taking.

The bill also proposes that a private entity shall not take property through the use of eminent domain:

- (a) For use of pipelines unless all pipeline routes are approved by the Public Service Commission; or
- (b) Unless a majority vote of the governing body of the county, city, or village where the property is located.

The Judiciary Committee held the hearing on LB 1131 on February 2nd.

Empowers private parties and entities that are unaccountable to public to exercise eminent domain. Common theme is rarely use it, but it is an important tool. Effort should be made to protect private landowners and provide accountability. Requires provisions requiring political subdivision where taking is occurring to support, not the public. Not intention to expand PSC, only

Proponents

Art Tanderup testified in support as a Nebraska landowner outlining that eminent domain by private corporations for corporate greed should not be allowed.

Tom Genung testified in support as a Nebraska landowner noting pipelines should not be allowed to weaponize eminent domain to threaten landowners. Had to deal with TransCanada proposal and now carbon pipelines are threatening same landowners. Greater restrictions are needed to stop private for profit companies.

Shannon Graves testified in support as a Nebraska landowner discussing how she was affected by the Keystone Pipeline and now is impacted by a carbon pipeline. Good faith negotiations are not being used and they're stealing financial information to threaten landowners.

Ken Winston, Bold Alliance, testified in support and discussed their view of the long-standing misuse of eminent domain in the state.

Jane Kleeb, Bold Alliance, testified in support highlighting that pipelines take permanent easements. Opposition will say 99.9% of time they get voluntary easements but they only get those because they have eminent domain. There is nowhere for landowners to get due process, and this should be a fair process. Don't want to see eminent domain used for any private gain.

Nebraska Relators Association testified in support outlining their organization is a staunch protector of property rights and this bill aligns with those goals. Want to ensure good faith process with land being reimbursed for what it is worth.

Opponents

Ron Kaminski, Nebraska Building & Trade Council testified in opposition noting there continues to be so much red tape to get projects approved and this will just lead to more of that. Does not only impact pipelines but will create more barriers and delays for other projects.

John McClure, NPPD & Nebraska Power Association, testified in opposition noting there is no reason to target electrical utilities within the scope of this bill. From 2009 to 2018 all NPPD projects varied from 97.6% to 100% voluntary easements, further of the eight projects, five were 100% all voluntary easements. Outlined process for arriving at compensation rates, noting independent appraisers are utilized.

Jacob Farrell, OPPD & International Right of Way Association, testified in opposition highlighting how the bill would impair the ability to expand and continue to serve all customers. Requiring a vote would give veto power to a very small group of people and at a minimum increase cost to exuberant costs that would be passed on to all Nebraskans. The bill undermines local control and takes away from local public power directors who work hard to avoid the need to use eminent domain.

Opposition was also provided by representatives of Black Hills Energy, Nebraska Rural Electric Association, Lincoln Electric Service, Precision Pipeline, Local 571, Northwestern Energy, Nebraska Rural Broadband Alliance, League of Nebraska Municipalities, Metropolitan Utilities District, Pipelines Local Union 788, and the Nebraska State Chamber of Commerce, their testimony echoed comments made by previous opponents. Additionally, opponents discussed that often local governments are required to acquire easements outside their jurisdiction for water infrastructure projects and subjecting that to a vote of a board not familiar with the project would result in decisions without thorough understanding of the project and its needs.

Neutral

John Hansen, Nebraska Farmers Union, testified in a neutral capacity and discussed the need for additional oversight and a process for appropriate penalties when entities are not acting in good faith.

Position statements were submitted for the record by fifty one proponents, eleven opponents, and three neutral.

Closing on the bill, Sen. J. Cavanaugh discussed that proponent letters were from individuals across all of Nebraska, opponents are all interest groups, or those who think the bill doesn't go far enough. This is about the principle that taking property is an extreme act and people need recourse. The goal for the bill is that there should be no commendation without representation.

The committee reported no action on the measure.

LB 1414 - Adopt the Property Tax Growth Limitation Act and change provisions relating to budget limitations. Linehan, At the request of the Governor.

The bill proposes the Property Tax Growth Limitation Act, to mandate that a political subdivision's property tax request for any year shall not exceed its property tax request from the prior year, with a few exceptions.

The bill applies to any county, city, village, learning community, sanitary and improvement district, natural resources district, and educational service unit.

Real Growth Exception

The political subdivisions listed in the bill may exceed the property tax request authority by a percentage equal to the political subdivision's real growth percentage.

Real growth percentage means the percentage obtained by dividing (a) the political subdivision's real growth value by (b) the political subdivision's total real property valuation from the prior year.

Real growth value means the increase in a political subdivision's real property valuation from the prior year to the current year due to (a) improvements to real property as a result of new construction and additions to existing buildings, (b) any other improvements to real property which increase the value of such property, (c) annexation of real property by the political subdivision, and (d) a change in the use of real property.

Carry Forward Real Growth

A political subdivision may choose not to increase its property tax request for a particular year by the full real growth percentage. In such cases, the unused percentage amount may be carried forward to future years and may be used in future years to increase the political subdivision's property tax request by more than the real growth. In no case shall the percentage carried forward exceed five percent.

Other Exceptions

- 1) By the amount needed to pay the principal and interest on approved bonds.
- 2) To pay for repairs to infrastructure damaged by a natural disaster, which is declared a disaster or emergency pursuant to the Emergency Management Act.

Voter Override

The additional amount could be approved by the voters as follows:

- 1) By the voters at a levy override election under section 77-3444 held prior to the effective date of this act.
- 2) After the effective date of the act, the voter override election could go on the ballot in one of two ways:
 - (a) Upon the recommendation of the governing body of such political subdivision, or
 - (b) Upon the receipt by the county clerk or election commissioner of a petition requesting such issue to be placed on the ballot which is signed by at least five percent of the legal voters of the political subdivision.

The election could only be held at the next regularly scheduled election.

State Aid

Under the bill, additional state aid is provided to schools, municipalities and counties in exchange for direct property tax relief, but a dollar amount is not specified. A companion bill, LB 1415, outlines the additional state aid.

The Revenue Committee held the hearing on LB 1414 on February 2nd.

Sen. Linehan opened on the bill stating it would help with reducing property taxes and lead to responsible spending. We need partners and encourage those partners to reduce spending.

Proponents

Lee Will, Chief Financial Officer for the State of Nebraska, testified in support on behalf of Gov. Pillen. Combined with LB 1241, we can ensure that when the value of your home goes up your property taxes do not. We provided \$3.5 billion in tax relief but despite that, property taxes went up more than 20%. We must pair our property relief work with a hard cap on taxes. Their goal is reduce property taxes by 40% and then allow it to go up by 2% in the future.

Mark McHargue testified in support on behalf of Nebraska Farm Bureau and Ag Leaders. This is a key part of the conversation on reducing property taxes. This is substantial to help curb property taxes and this is one of the final steps to get to where we're going. It does allow an override with an election and there is an exception for repairs of infrastructure in the event of a natural disaster. There is not a perfect bill, but as we resolve how to move forward this is the year to do something substantial.

Carter Thiele, Lincoln Independent Business Association, testified in support. This is good governance and financial prudence that is fair and balance and instead of tax shift, reducing property tax requests is more what we support.

Robert Hallstrom testified in support on behalf of the Nebraska Bankers Association and National Federation of Independent Businesses.

Alex Reuss, Nebraska Chamber of Commerce, testified in support. We support the efforts to bring property tax relief for Nebraskans.

Nicole Fox, The Platte Institute, testified in support. This is imperative to cap the growth of property taxes. We support that the cap can be overridden by a vote of the people, because voter approval is the ultimate form of local control. It is a sound idea to allow government to carry over a 5% share of their budget. Think schools should also be included so it is equal among all property tax askers.

Opponents

Angie Burmeister, Sarpy County Board, testified in opposition. Sarpy County's dollars primarily fund essential services. As the fastest growing county, we have some unique challenges including a lot of new infrastructure going in to support our growing population. As valuations have risen, so have costs of materials. With the new infrastructure, we've had to hire new staff for those facilities like correction facilities. We want tax relief for our residents, but we also want to be sure we can provide those essential services that residents want/need, too. We need the ability to ebb and flow our budget as things come up.

Adam Flannagan, Eastern Nebraska Developers Association, testified in opposition requesting exemption for sanitary and improvement districts.

Rebecca Firestone, Open Sky Policy Institute, testified in opposition. She noted they are concerned that it would restrict local government. Caps may reduce taxes but could also lead to a reduction in services for residents.

Dean Edson, NARD Executive Director, testified in opposition. I want to state up front that we are not opposed to property tax reform. The natural resources districts are very concerned about the heavy reliance on property taxes to fund schools and other political subdivisions.

We will work with the Legislature and Governor Pillemer on reasonable property tax reform measures. We support reforms that reduce property tax reliance and provide adequate funding for both rural and urban areas.

We oppose restrictions on local budgets that harm the ability of local governments : 1) To implement programs and projects to meet federal and state mandated programs; 2) Make local annual adjustments to meet the needs of the local citizens; 3) Adequately fund both rural and urban needs; and 4) Provide local funding for efficient natural resources programs that protect water quality, water quantity, soil, property and the economy.

Our main opposition to this bill is the hard cap and which forces NRDs to go to a vote to increase beyond the cap. It also does not back-fill aid for the NRDs as proposed in LB 1415 for cities, counties and schools. This will essentially stop many water offset programs that are needed in the state-mandated fully and over appropriated districts, which covers the Platte and Republican river basins. The individual NRDs cover several counties.

Here is an example – A large fertilizer company is in the process of building a new facility in Gothenburg, which is in the state-mandated overappropriated area. The Central Platte NRD is working with the company and the community to seek the state required offset water for the plant. If the cost of the offset exceeds the cap for the Central Platte NRD, the district will have to go to a vote of the people for approval.

The Central Platte NRD includes communities from Gothenburg to Chapman, including Kearney and Grand Island. While the voters in Gothenburg (pop. 3,475) might vote for approval, it is unlikely the Grand Island (pop. 53,513) and Kearney (pop. 33,790) voters would approve. This essentially puts smaller communities at a great disadvantage for economic development opportunities.

The hard caps would also take away the districts incentive to reduce taxes. Last year there were 11 districts that had a tax increase of 3.5% or less. One district decreased taxes by 7.7%, and five were at zero change. Those over 3.5% this year are paying for local projects. When the project is completed, historically the NRDs reduce the tax ask until the next project comes up.

The bill before you today provide the wrong incentives. It will force the districts to keep taxes high, so they don't get caught in the cycle.

I have provided an attachment with the list of all the funds taken away from the NRDs over the past 20 years and some of the state mandates that have been placed in the fully and overappropriated districts. It was the decisions of past legislatures that there was room under the existing NRD 5.5 cent levy authority to pay for these programs.

Moving forward, the NRDs are working with ag producers, ag industries and communities, on new technologies becoming available to increase efficiency.

For example, we are working with the Corn Board, producers, and ag industry to develop a new mobile app to help reduce over-application of fertilizers, increase productivity and address water quality concerns. This will be released in May of 2024. In addition to the cost of development, there will be ongoing maintenance costs.

We are also working with the ag groups and other organizations on Full Value Ag. There are many components to this, and the NRDs are willing to assist in this process. This includes coordination with ag producers and industry on remote sensing for water and nitrogen use. The Twin Platte NRD has invested in

such sensors for producers, and they have been successful. Other districts are interested in implementing such programs.

As the NRDs navigate the complexities of water management, we ask the legislature to consider the on-going commitment to keep Nebraska #1 in water management and efficiency. The current and evolving demands necessitate a thoughtful and collaborative approach to spending. The cost of water is not going down. The provisions of LB 1414 ignore these needs.

NARD provided the following as an attachment that summarizes state actions that have forced the natural resources districts to increase their budgets in the past.

- In 2001, the legislature repealed a fertilizer tax that provided \$2.5 million in funding for water quality programs. Senators at the time looked at NRD budgets and decided that it should be shifted back to the NRDs because we were not at our maximum levies.

A state fund was put in place to provide about \$1.1 million, but then also required 160 % match by NRD property taxes to make up the difference. The state fund has not been increased since 2001 and any additional funding needs must be made up with local property taxes.

- In 2004, LB 962 required NRDs in over appropriated areas of Nebraska, as designated by the Nebraska Department of Natural Resources, to create Integrated Management Plans (IMPs). These plans are an incremental approach aimed at achieving and sustaining a fully appropriated condition while maintaining economic viability, social and environmental health, safety, and welfare of the Basin.

The initial increment of IMPs required NRDs to offset over 18,400 ac/ft of depletions to the Platte River upstream of Chapman. To meet these requirements, NRDs were confronted with the choice of implementing potentially devastating regulations, posing a threat to local economies, or seeking alternative options for returning water to the river. NRDs were able to meet the mandates of the initial increment by pursuing studies, conjunctive management projects, irrigation retirements, and leases. **However, these efforts came at a cost of more than \$57 million to local NRDs.**

NRDs in the over appropriated area of the Upper Platte Basin now find themselves in the middle of the required IMP's second increment. Not only are NRDs tasked with the costly endeavor of maintaining the actions implemented during the initial increment, they also must implement further programs and projects to offset additional depletions that exceed those required during the 1st increment.

- In 2006, LB 933 was passed to require NRDs in the fully and over – appropriated areas designated by the state to provide each municipality in the area up to 25 million gallons annually for growth. The NRDs are forced to go out and purchase water from other existing producers to provide that growth.
- In 2011, state aid to NRDs was eliminated. This was \$1.4 million at the time. It had been higher in previous years.
- In 2018, the Legislature eliminated the authority of NRDs to levy up to 3 cents to fund and implement ground water management activities and integrated management activities under the Nebraska Ground Water Management and Protection Act.
- State funds for NRDs require a 40% match requirement. These can not be other state funds. Rather, they must be property taxes. These include the Water Resources Cash Fund and the Water Sustainability Fund.
- Federal funds also require a local match. These are typically around 40%.

- NRDs 2023-24 property taxes of \$88 million leveraged over \$234 Million in state, federal and private foundation match.
- The average levy for NRDs in FY 2023-24 is 2.88 cents of the 5.5 cent maximum.

Neutral

Jon Cannon, Nebraska Association of County Officials, testified in the neutral. Counties are 1/6 of the property tax ask, but we participate 100 percent in the process. While this bill is currently unworkable for counties, we are testifying in the neutral because we are in good-faith negotiation efforts. No one talks about the costs and how costs are going up to do business. Counties provide a lot of essential services and anything that undermines public safety is certainly not what the voters intended.

Stephen Curtiss, City of Omaha, testified in the neutral. Police and fire are approximately 2/3 of the City of Omaha's budget. This bill does overlook the valuation issue we have in Douglas County. We have adjusted our levy, and we have been down since Mayor Stothert took over. In 2016, our property tax went up just 1.25 percent and there were years it went up 0.4 percent, but right now we're over two percent.

Lynn Rex, League of Nebraska Municipalities, testified in the neutral. In order for municipalities and counties to operate, we need revenue to maintain essential services. There can be no excuses when providing those services. We need to have bonds outside any cap and that is extremely important.

Position comments submitted for the record included two proponents, nineteen opponents and one neutral.

The committee reported no action on the measure.

LB 1415 - Adopt the Property Tax Relief Act and change the Nebraska Property Tax Incentive Act. Dover, At the request of the Governor.

The purpose of the Property Tax Relief Act is to provide state funding directly to school districts, counties, cities, and villages in exchange for direct property tax relief. Part of the funding for the new aid programs would come from eliminating the existing property tax credit programs.

School District Property Tax Relief Cash Fund

For the FY 2024-25, the additional aid shall be \$980,600,000. For the FY 2025-26 and each fiscal year thereafter, the amount available for disbursement increased by 3%.

The aid would be distributed on the ratio of the real property valuation in the school to the real property valuation in the state.

County Property Tax Relief Cash Fund

For the FY 2024-25, the additional aid shall be \$437,200,000. For the FY 2025-26 and each fiscal year thereafter, the amount shall increase each year by \$15 million.

The aid would be distributed on the ratio of the real property valuation in the county to the real property valuation in the state.

Municipal Property Tax Relief Cash Fund

For FY 2024-25, the additional aid shall be \$297,100,000. For FY 2025-26 and each fiscal year thereafter, the amount shall increase each year by \$10 million.

The aid would be distributed on the ratio of the real property valuation in the municipality to the real property valuation of all municipalities.

The Revenue Committee held the hearing on LB 1415 on February 2nd.

Sen. Dover opened on the bill noted that those who can hire a CPA are getting the benefits and this bill would allow the property tax to be front-loaded so more residents get the benefit. There should be no need to pay in just to get it back later.

Proponents

Mark McHargue testified in support on behalf of Nebraska Farm Bureau and Nebraska Ag Leaders. One part we are concerned about is that it should be tied to LB 1240 to tie the benefits together. This should be part of the comprehensive tax package.

Robert Hallstrom testified in support on behalf of the Nebraska Bankers Association and National Federation of Independent Businesses. This is a great idea to make it visible on the tax statement and want to make sure it is tied to true property tax relief.

Opponents

Dave Welsch, Milford Public Schools Board of Education, testified in opposition. He noted he supports the concept of front-loading taxes, but is opposed to how the funds will be distributed. He explained various charts related to school financing. The valuation formulation varies widely across the state and it is a huge impact on the levies and the property taxes that are asked.

John Gage, Americans for Prosperity, testified in opposition. Despite hundreds of millions in tax relief, school districts still raked in money. You are doubling down on a failed policy from last year. This is not a tax cut, most Nebraskans won't see any relief in how this is constructed. This is tax hikes now and promises of relief later.

Neutral

Neutral testimony was provided by Nebraska Association of County Officials and League of Nebraska Municipalities who thanked the committee and the governor for their continued efforts.

The Platte Institute testified in a neutral capacity and outlined their organization does not support raising taxes in other areas of the tax code to support this relief.

NARD provided neutral testimony to reiterate that the measure does not provide state aid to NRDs. Testimony also reiterated that NRDs rely on levy authorities to leverage other state and federal funds for critical and mandated water resources programs.

Position comments were submitted for the record by three opponents and two neutral.

The committee reported no action on the measure.

Committee Hearings Scheduled Next Week

A complete outline of rules for hearings and submitting position comments also be found at: [Nebraska Legislature - Public Input Options](#)

If you are not testifying in person at a public hearing on a bill or resolution and would like to submit written comments to be included in the official hearing record as an exhibit, you will find a link to submit your comments online on the chamber viewer page for each bill or resolution. Online submitted comments for the public hearing record as an exhibit may be submitted once a bill has been scheduled for public hearing up until 8:00 a.m. CST on the day of the public hearing. Comments must be verified through a confirmation returned from the email address provided by the submitter. Verification must be completed prior to the 8:00 a.m. deadline.

In order to facilitate public input on legislation, a feature was added to the Nebraska Legislature's website for submission of written comments on pending legislation on the Legislature's website at any stage of the process. (To access this feature, search for the bill you wish to submit a statement on and click the corresponding button near the top of the bill page.) This feature will appear once a bill has been scheduled for a public hearing.

Monday, February 5th

Banking, Room 1507 - 1:30 PM

LB 872 - Prohibit acceptance of central bank digital currency by state and local governments. Clements.

The bill prohibits a county treasurer, county official, or political subdivision official from using central bank digital currency as a method of cash payment of any tax, levy, excise, duty, custom, toll, interest, penalty, fine, license, fee, or assessment of whatever kind or nature.

Central bank digital currency is defined in the bill as a digital medium of exchange, token, or monetary unit of account issued by the United States Federal Reserve System or any analogous federal agency that is made directly available to the consumer by such federal entities. Central bank digital currency includes a digital medium of exchange, token, or monetary unit of account so issued that is processed or validated directly by such federal entities.

Tuesday, February 6th

Natural Resources, Room 1525 - 1:30 PM

LB 1260 - Provide authority for public power and irrigation district directors to take action on certain agreements in which they have an interest. Jacobson.

The bill proposes a director of a public power and irrigation district may have an interest in a residential lease agreement or a water service agreement with such district. Such director may participate in any discussion or vote on such agreements. No agreement of such public power and irrigation district shall be void or voidable by reason of such interest by such director.

Wednesday, February 7th

Appropriations, Room 1003 - 1:30 PM

The Appropriations committee held the hearing for the state budget bills (LB 1412 & LB 1413) on January 30th. While this is the advertised date for the hearings, hearings on the bills will continue for the next few weeks as each code agency receives a specific hearing date – this is an appropriate time for testimony on the appropriations for a respective agency.

Agency 33 – Nebraska Game & Parks Commission is scheduled for Wednesday, February 7th.

Government, Room 1507 - 1:30 PM

LB 1358 - Require approval of the registered voters to increase salaries of governing bodies of political subdivisions as prescribed. McDonnell.

The bill provides that it is the intent of the Legislature that any increase in the salary of any governing body of any political subdivision which is in excess of the increase in the cost of living since the last increase in salary of such governing body plus one percent be approved by the registered voters of such political subdivision at a statewide general election before the increase can be included in the budget of the political subdivision.

The bill also provides that no governing body shall increase such salaries more than once every two fiscal years.

The bill directs the Government, Military and Veterans Affairs Committee to prepare legislation to amend the necessary statutes affecting salaries of governing bodies, budgeting, tax levies, and elections for the various political subdivisions in order to implement the act.

Bill, LR or CA	Description	Sponsor(s)	Priority	NARD POSITION	Committee	Hearing Date	Status	Amendments/Notes
LR 1CA	Constitutional amendment to require the Legislature to reimburse political subdivisions as prescribed	Blood	Blood (2023)	Support	Government	2/24/2023	General File	MO 120 - 126, AM 591 - Pending
LR 6CA	Constitutional amendment to prohibit governmental entities from imposing any taxes other than retail consumption taxes and excise taxes	Erdman		Oppose	Revenue	3/3/2023	Committee	
LR 7CA	Constitutional amendment to require the state to impose a consumption tax or an excise tax on all new goods and services and to provide a tax exemption for grocery items	Erdman		Oppose	Revenue	3/3/2023	Committee	
LB 7	Provide a statute of limitations for exposure to hazardous or toxic chemicals	Blood		Monitor	Judiciary	1/25/2023	Committee	
LB 40	Adopt the Riparian and Water Quality Practices Act	Blood		Oppose - as written.	Natural Resources	2/23/2023	Committee	AM 469 - Pending
LB 79	Adopt the Nebraska EPIC Option Consumption Tax Act	Erdman	Erdman (2023)	Oppose	Revenue	3/3/2023	Committee	MO 258 - 264, AM 314 - Pending
LB 121	Repeal the Trail Development Assistance Act	Bostelman		Monitor	Natural Resources	2/16/2023	Committee	
LB 125	Change provisions relating to the Surface Water Irrigation Infrastructure Fund	Bostelman		Support	Appropriations	3/14/2023	Committee	Provisions incorporated into LB 818 via AM 1172 - Adopted & Passed
LB 147	Change procedures for property tax refunds	Kauth		Monitor	Revenue	2/1/2023	General File	Multiple AM/MO - Filed
LB 205	Adopt the Government Neutrality in Contracting Act	von Gillern		Support	Government	2/10/2023	General File	AM 452 - 465 - Pending
LB 218	Change provisions relating to intent to appropriate money for management of vegetation within the banks or flood plain of a natural stream	Ibach		Support	Agriculture	2/7/2023	General File	AM 2195 - Filed
LB 241	Change provisions relating to transfers of water to another state	Briese		Monitor	Natural Resources	1/26/2023	Committee	
LB 281	Require the Department of Economic Development to provide grants for youth outdoor education camp facilities	Jacobson		Support	Natural Resources	2/15/2023	Committee	Provisions incorporated into LB 814 & LB 818 via AM 915 & AM 1172 - Adopted & Passed.
LB 287	Prohibit creation of joint public agencies under the Joint Public Agency Act	Brewer	Government (2024)	Monitor	Government	3/24/2023	General File	AM 2060 - Filed
LB 292	Prohibit the use of eminent domain under the Jobs and Economic Development Initiative Act	Cavanaugh, M.		Monitor	Natural Resources	2/8/2023	Committee	
LB 302	Change provisions relating to conflicts of interest by certain officeholders and public employees	Linehan		Monitor	Government	2/15/2023	General File	Provisions of bill amended into LB 287 via AM 2060.
LB 304	Require political subdivisions to disclose membership dues and lobbying fees	Linehan		Monitor	Government	2/9/2023	General File	
LB 312	Change provisions relating to withholding money due to noncompliance with budget limits and annual audits for certain political subdivisions	Lowe		Monitor	Government	2/9/2023	General File	
LB 322	Prohibit creation of new joint public agencies with power or authority relating to tax	Linehan		Monitor	Revenue	3/9/2023	Committee	
LB 332	Prohibit creation of new joint public agencies with power or authority relating to education	Linehan		Monitor	Education	3/21/2023	Committee	
LB 361	State legislative intent to appropriate funds for the Precision Agriculture Infrastructure Grant Program	Dorn		Support	Appropriations	3/1/2023	Committee	Provisions incorporated into LB 814 via AM 915 - Adopted & Passed
LB 394	Change provisions relating to the determination of damages as a result of eminent domain	Erdman		Oppose	Judiciary	2/23/2023	Committee	
LB 396	Provide for streamflow augmentation projects and retention of water rights	Erdman		Oppose	Natural Resources	3/1/2023	Committee	See Attorney General Opinion 23-006
LB 400	Adopt the Nebraska Pheasant Restoration Act	Brewer		Monitor	Natural Resources	2/8/2023	Committee	
LB 401	State intent regarding appropriations to the Department of Natural Resources	Dorn		Support	Appropriations	3/14/2023	Committee	

LB 506	State intent to appropriate federal funds to the Department of Natural Resources and the Department of Environment and Energy	Bostar		Support	Appropriations	3/14/2023	Committee	Provisions Ammended into LB 818 via AM 915 - Adopted & Passed.
LB 513	Change proof of publication requirements for legal notices and requirements for published notice and virtual conferencing under the Open Meetings Act	Brewer		Support	Government	2/10/2023	General File	Provisions of bill ammended into LB 287 via AM 2060.
LB 534	Appropriate federal funds to the Department of Environment and Energy for community water systems	Slama		Support	Appropriations	3/13/2023	Committee	
LB 540	Change provisions relating to public lettings	Vargas		Monitor	Government	3/24/2023	Committee	
LB 560	State intent to seek federal funds under the Inflation Reduction Act of 2022	Blood		Support	Appropriations	3/6/2023	Committee	
LB 571	Appropriate funds to the Department of Environment and Energy to carry out the Water Well Standards and Contractors' Practice Act	Lippincott		Support	Appropriations	3/13/2023	Committee	
LB 576	Provide limitations on liability and nuisance related to land-management burning	Cavanaugh, J.		Support	Judiciary	3/3/2023	Committee	
LB 614	Appropriate funds to the Department of Agriculture	McDonnell		Support	Appropriations	2/22/2023	Committee	
LB 637	Require members of the public to be allowed to speak at each meeting subject to the Open Meetings Act	Albrecht		Monitor	Government	2/24/2023	General File	AM 616, 617 - Pending
LB 651	Provide for appropriations relating to cybersecurity improvements for state agencies and political subdivisions	McDonnell		Support	Appropriations	3/16/2023	Committee	
LB 656	Change provisions relating to the Small Watersheds Flood Control Fund	McDonnell		Support	Natural Resources	3/1/2023	Committee	
LB 672	Appropriate funds to the Department of Environment and Energy	Hansen		Support	Appropriations	3/13/2023	Committee	
LB 723	Adopt the Public Water and Natural Resources Project Contracting Act	Bostelman, At the request of the Governor		Support	Natural Resources	2/2/2023	Committee	Ammended into LB 565e via AM 1240 - Adopted & Passed
LB 729	Change provisions relating to the Jobs and Economic Development Initiative Fund	McDonnell		Monitor	Natural Resources	2/23/2023	Committee	
LB 766	Appropriate Federal Funds to the Department of Environment and Energy for reverse osmosis systems	DeKay		Support	Appropriations	3/13/2023	Committee	AM 651 - Pending
LB 768	Transfer money from the Cash Reserve Fund to the Critical Infrastructure Facilities Cash Fund	DeKay	DeKay (2023)	Support	Appropriations	3/14/2023	Committee	Provisions incorporated into LB 814 via AM 915 - Adopted & Passed - Line-Item Vetoed by Gov. Pillen
LB 817	Appropriate funds for capital construction	Arch, At the request of the Governor		Support	Appropriations	2/13/2023	Committee	Provisions incorporated into LB 814 via AM 915 - Adopted & Passed
LB 819	Change provisions relating to the Cash Reserve Fund	Arch, At the request of the Governor		Support	Appropriations	2/13/2023	Committee	Provisions incorporated into LB 818 via AM 1172 - Adopted & Passed
LB 828	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	Blood		Monitor	Agriculture	1/30/2024	Committee	
LB 831	Change provisions of the Noxious Weed Control Act and provide for control of restricted plants	Blood		Oppose	Agriculture	1/30/2024	Committee	AM 2113 - Filed
LB 859	Change conflict of interest provisions for certain political subdivision officers	Linehan		Monitor	Government		Committee	
LB 868	Extend the sunset date for reimbursement for remedial action under the Petroleum Release Remedial Action Cash Fund	Bostelman		Support	Natural Resources	1/24/2024	Committee	
LB 872	Prohibit acceptance of central bank digital currency by state and local governments	Clements		Monitor	Banking	2/5/2024	Committee	
LB 880	Change requirements relating to the Land Acquisition and Source Water Loan Fund	Hughes		Monitor	Natural Resources	1/24/2024	Committee	
LB 925	Adopt the Firearm Industry Nondiscrimination Act	Aguilar		Monitor	Government	2/1/2024	Committee	
LB 951	Adopt the Public Officials on Private Boards Open Meetings Act	Linehan		Monitor	Government		Committee	
LB 1018	Provide that positions of public employment shall not require a postsecondary degree and require equal consideration for non-degree-holders' wages and benefits	Holdcroft		Monitor	Government	2/2/2024	Committee	AM 2255 - Filed

LB 1080	Appropriate Federal Funds to the Department of Natural Resources	Holdcroft		Monitor	Appropriations	2/21/2024	Committee	
LB 1131	Appropriate funds to the Department of Environment and Energy for grants for tribal-owned community drinking water and sewer systems	Raybould		Monitor	Appropriations	2/2/2024	Committee	
LB 1179	Appropriate funds to the Department of Natural Resources	Wishart		Support	Appropriations	2/2/2024	Committee	
LB 1184	Adopt the Reverse Osmosis System Tax Credit Act	Bostar		Monitor	Revenue		Committee	
LB 1199	Repeal provisions relating to certain administrative fees imposed by the Department of Natural Resources	Moser		Support	Natural Resources	2/1/2024	Committee	
LB 1205	Appropriate Federal Funds to the Department of Natural Resources	Hughes		Monitor	Appropriations	2/21/2024	Committee	
LB 1241	Change provisions relating to property tax levy limits	von Gillern		Oppose ¹ - See Policy Statement	Revenue	1/31/2024	Committee	AM 2135 - Filed
LB 1242	State intent to appropriate funds to the Board of Regents of the University of Nebraska	McDonnell		Monitor	Appropriations	2/1/2024	Committee	
LB 1243	Adopt the Wildland Fire Response Act	McDonnell		Support	Government		Committee	
LB 1244	Appropriate Federal Funds to the Department of Natural Resources	McDonnell		Support	Appropriations	2/21/2024	Committee	
LB 1258	Change requirements relating to certain permits and requirements relating to livestock waste control facilities and animal feeding operations	Cavanaugh, M.		Oppose	Natural Resources		Committee	
LB 1260	Provide authority for public power and irrigation district directors to take action on certain agreements in which they have an interest	Jacobson		Support	Natural Resources	2/7/2024	Committee	
LB 1277	Change provisions relating to emergency proclamations for disasters, emergencies, and civil defense emergencies made by the Governor	Wayne		Support	Government		Committee	
LB 1287	Appropriate Federal Funds to the Department of Environment and Energy for drinking water infrastructure	Ballard		Support	Appropriations	2/21/2024	Committee	
LB 1335	Change provisions of and provide duties and exemptions from the Nongame and Endangered Species Conservation Act	Moser		Support	Natural Resources		Committee	
LB 1357	Prohibit camping on certain property owned by political subdivisions	McDonnell		Support	Judiciary		Committee	
LB 1358	Require approval of the registered voters to increase salaries of governing bodies of political subdivisions as prescribed	McDonnell		Monitor	Government	2/7/2024	Committee	
LB 1366	Change provisions relating to the use of eminent domain	Cavanaugh, J.		Monitor (Remove NRDs)	Judiciary	2/2/2024	Committee	
LB 1368	Adopt the Nitrogen Reduction Incentive Act	Ibach		Support	Agriculture	2/13/2024	Committee	
LB 1406	Provide for an active-duty military permit for state park entry	Sanders		Support	Natural Resources	1/31/2024	Committee	
LB 1412	Provide, change, and eliminate appropriations for operation of state government, postsecondary education, state aid, capital construction, and federal funds allocated to the State of Nebraska from the federal American Rescue Plan Act of 2021	Speaker Arch, at the Request of the Governor		Monitor	Appropriations	1/30/2024	Committee	
LB 1413	Transfer and provide for the transfer of funds and create and change the use and distribution of funds	Speaker Arch, at the Request of the Governor		Monitor	Appropriations	1/30/2024	Committee	
LB 1414	Adopt the Property Tax Growth Limitation Act and change provisions relating to budget limitations	Linehan, at the Request of the Governor		Oppose ¹ - See Policy Statement	Revenue	2/2/2024	Committee	
LB 1415	Adopt the Property Tax Relief Act and change the Nebraska Property Tax Incentive Act	Dover, At the request of the Governor		Oppose ¹ - See Policy Statement	Revenue	2/2/2024	Committee	
LB 1417	Create, eliminate, terminate, and provide, change, eliminate, and transfer powers, duties, and membership of boards, commissions, committees, councils, task forces, panels, authorities, and departments and change and eliminate funds	Brewer, At the request of the Governor		Monitor	Government		Committee	

¹ NARD Policy Statement - We will work with the Legislature and Governor Pillen on reasonable property tax reform measures. We support reforms that reduce property tax reliance and provide adequate funding for both rural and urban areas. We oppose restrictions on local budgets that harm the ability of local governments: 1) To implement programs and projects to meet federal and state mandated programs; 2) Make local annual adjustments to meet the needs of the local citizens; 3) Adequately fund both rural and urban needs; and 4) Provide local funding for efficient natural resources programs that protect water quality, water quantity, soil, property and the economy.