

ESUCC  
Legislative Committee Meeting  
Friday, April 20, 2018, 2:00 PM  
Zoom, 6949 South 110th Street, LaVista, NE 68128

Attendance Taken at 2:00 PM.

Bell ESU 10:	Absent
Jeff West (NE):	Present
Dr Kraig Lofquist:	Present
Standish ESU 18:	Absent
Dan Schnoes (NE) (ESU 03):	Present
Greg Barnes (ESU 11):	Present
Paul Calvert (ESU 15):	Absent

1. Call to Order

2. Roll Call

3. Agenda Item

3.1. Legislative Update (Bromm & Associates and NCSA)

3.2. LB829 - Adopt the Property Tax Relief Act

3.3. Legislation for Next Year

4. Next Meetings Agenda Items

5. Executive Session

6. Adjournment

{{Name: Agenda Item Name}}  
{{Discussion: Agenda Item Discussion}}  
{{Comments: Agenda Item Comments}}  
{{Actions: Agenda Item Actions}}

**Bromm, Nielsen & Mines**  
**Educational Service Unit Council**  
**Weekly Report for Bills of Interest on 03/01/2018**

Document	Description	Position	Committee	Hearing Date	Status
LB14	<p>(Krist) Require successful completion of a civics examination as a prerequisite to high school graduation</p> <p><i>LB 14 requires that, beginning in school year 2018-19, the civics portion of the naturalization test used by the U.S. Citizenship and Immigration Services be taken by every Nebraska high school student to demonstrate knowledge and understanding of the fundamentals of U.S. history and the principles of the government of the U.S.</i></p> <p><i>The civics test would incorporate the 100 questions listed on a test that is identical to the civics portion of the naturalization test used by the U.S. Citizenship and Immigration Services (as required by 8 U.S.C. 1423).</i></p> <ul style="list-style-type: none"> <li>• <i>Each high school student must correctly answer at least 70% of the questions on the civics test as a prerequisite to graduation.</i></li> <li>• <i>Each school district may determine the method and manner in which to administer the civics test to each student.</i></li> <li>• <i>A student may take the test, in whole or in part, at any time after enrolling in grade nine and may repeat the test, or any portion, as often as necessary to achieve the required score.</i></li> <li>• <i>A student may be exempted from the requirement of this section by the student's individualized education plan (IEP).</i></li> <li>• <i>A school district may not impose or collect any fees or charges in connection with the civics test.</i></li> </ul>	Monitor	Education	03/20/2017	<p>In Committee</p> <p>Title printed. Carryover bill  Brewer name added  Krist AM625 filed  McCollister name added  Notice of hearing for March 20, 2017  Notice of hearing for January 17, 2017 (cancel)  Groene MO5 prevailed  Groene MO5 Permit cancellation of hearing on January 17, 2017 filed  Notice of hearing for January 17, 2017  Referred to Education Committee  Date of introduction</p>
LB44	<p>(Watermeier) Adopt the Remote Seller Sales Tax Collection Act</p> <p><i>LB 44 would increase state sales tax revenue through collection of taxes on Internet purchases. The bill provides findings that the inability to effectively collect the sales or use tax from remote sellers who deliver tangible personal property, products delivered electronically, or services directly into Nebraska is seriously eroding Nebraska's sales tax base, causing revenue losses and imminent harm to the state through the loss of critical funding for state and local services. The bill contains the emergency clause.</i></p>	Monitor	Revenue	01/27/2017	<p>Select File  Watermeier Priority Bill</p> <p>Watermeier AM1822 filed  Watermeier priority bill  McCollister name added  Watermeier AM1465 filed  Title printed. Carryover bill  Chambers FA64 pending  Chambers FA64 pending  Chambers FA64 filed  Chambers FA64 pending  Watermeier AM1074 filed  Watermeier AM1074 pending  Attorney General's Opinion 17-002 to Kuehn  Placed on Select File  Advanced to Enrollment and Review Initial  Placed on General File  Watermeier priority bill  Notice of hearing for January 27, 2017  Referred to Revenue Committee  Date of introduction</p>
LB52	<p>(Schumacher) Adopt the Modern Tax Act</p> <p><i>LB 52 creates the Modern Tax Act and would impose a tax at a rate of 5.5% on the amount of</i></p>	Monitor	Revenue	01/18/2017	<p>In Committee</p> <p>Title printed. Carryover bill</p>

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	<p><i>interest paid by a qualified debtor on any eligible loan.</i></p> <p><i>Eligible loan would include loans for real estate, Uniform Commercial Code filings, loans secured by a security or commercial paper held in or delivered to a creditor in Nebraska, a loan for a vehicle, or any loan over which Nebraska courts have jurisdiction and venue in an action for default in payment.</i></p> <p><i>The bill specifically excludes loans to governmental entities.</i></p>				<p>Notice of hearing for January 18, 2017</p> <p>Referred to Revenue Committee</p> <p>Date of introduction</p>
LB58	<p>(Kintner) Change provisions relating to participation in extracurricular activities</p> <p><i>LB 58 changes existing provisions under part-time enrollment (§ 79-2,136). The bill states that any student who withdraws from a public school to enroll as a homeschool student may not participate in an extracurricular activity in any public school district for 365 days after the date the student withdraws from the public school.</i></p> <p><i>The bill requires each school board to establish policies and procedures to allow the participation of any homeschool student in any extracurricular activities to the same extent and subject to the same requirements, conditions, and procedures as students enrolled in the public school governed by such board.</i></p> <p><i>Note: Existing law (§ 79-2,126) defines "extracurricular activities" as student activities or organizations which are supervised or administered by the school district, which do not count toward graduation or advancement between grades, and in which participation is not otherwise required by the school district.</i></p> <p><i>LB 58 provides that the policies and procedures may require homeschool students participating in extracurricular activities to be continuously enrolled in no more than one course per semester offered for credit by such school and may require them to follow school policies that apply to other students when present on school grounds or at a school-sponsored activity or athletic event. Participation in extracurricular activities would not entitle a student to transportation, except to and from practices and events to the same extent as public school students participating in such activities, or transportation reimbursement.</i></p>	Monitor	Education	01/30/2017	<p>In Committee</p> <p>Title printed. Carryover bill</p> <p>Craighead name added</p> <p>Notice of hearing for January 30, 2017</p> <p>Referred to Education Committee</p> <p>Date of introduction</p>
LB90	<p>(Hughes) Require public entity to provide accommodations where Auditor of Public Accounts employee conducts audit or examination</p>	Monitor	Government, Military and Veterans Affairs	01/19/2017	<p>In Committee</p> <p>Title printed. Carryover bill</p> <p>Notice of hearing for January 19, 2017</p> <p>Referred to Government, Military and Veterans Affairs Committee</p> <p>Date of introduction</p>
LB103	<p>(Murante) Change provisions relating to accelerated or differentiated curriculum and require establishment of focus groups</p> <p><i>LB 103 is aimed at strengthening and expanding existing provisions related to gifted education. Under current law, NDE is authorized to employ a full-time consultant trained and experienced in the field of education for learners with high ability. The consultant must encourage, advise, and consult with each school of the state in the development and implementation of plans for gifted education and must monitor the implementation of laws related to gifted education, including the newly proposed provisions of LB 103.</i></p> <p><i>The bill is applicable to all school districts but appears to take particular aim toward member</i></p>	Monitor	Education	01/23/2017	<p>In Committee</p> <p>Title printed. Carryover bill</p> <p>Ebke name added</p> <p>Notice of hearing for January 23, 2017</p> <p>Referred to Education Committee</p> <p>Date of introduction</p>

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	<p><i>school districts of a learning community.</i></p> <p><i>Under LB 103, each school district within a learning community providing an approved accelerated or differentiated curriculum program must establish a high-ability learners' focus group. Each focus group must include:</i></p> <ul style="list-style-type: none"> <li><i>• Parents of learners with high ability from elementary, middle school, and high school grade levels as defined by the school district;</i></li> <li><i>• Teachers from an approved accelerated or differentiated curriculum program from elementary, middle school, and high school grade levels; and</i></li> <li><i>• Administrators with responsibilities directly related to the school district's approved accelerated or differentiated curriculum programs.</i></li> </ul> <p><i>The focus group may also include a representative from a statewide organization that advocates for meeting the educational needs of learners with high ability. A preference must be given in the selection of teacher members to teachers with endorsements specific to teaching learners with high ability who teach in approved accelerated or differentiated curriculum programs in the school district. The majority of each focus group must be made up of parents of learners with high ability.</i></p> <p><i>Each focus group must:</i></p> <p><i>(a) Explore ways for parents and students to play an ongoing, integral role in the district's approved accelerated or differentiated curriculum program;</i></p> <p><i>(b) Annually receive and review data and reports submitted by the school district pertaining to gifted education;</i></p> <p><i>(c) Annually review the expenditure of lottery funds and matching funds distributed to the district during the past school year and the budgeted expenditures of the funds for the current school year; and</i></p> <p><i>(d) Study any issues related to the education of learners with high ability that the focus group deems appropriate.</i></p>				
LB107	<p>(Crawford) Prohibit sexual assault of a patient, client, or student as prescribed</p> <p><i>LB 107 amends the Nebraska Criminal Code and relates to sexual abuse of students, patients or clients in the care of health professionals, school volunteers and employees, volunteers and employees of youth centers, and people who occupy positions of special trust.</i></p> <p><i>For purposes of education, LB 107 provides a list of employee classifications that would be included, from teachers to principals, home/school visitors to janitors, cafeteria workers to bus drivers, teacher aides to directors of vocational education.</i></p> <p><i>Note: Employee does not include a student, patient, or client employed at the school or youth facility or an independent contractor or any employee of an independent contractor who has no direct contact with students, patients, or clients.</i></p> <p><i>The bill defines "volunteer" to mean a person who is not an elected or appointed official or employee of a school who, at the request or with the permission of the school board or board of education of the school, engages without remuneration in activities related to the purposes and functions of the school or for its general benefit. Volunteer does not include a student enrolled in the school.</i></p> <p><i>The bill defines "student" as a person who is currently enrolled in or attending public or private elementary or secondary school or a postsecondary educational institution or was a student enrolled in or who attended a public or private elementary or secondary school or a</i></p>	Monitor	Judiciary	02/08/2017	<p>In Committee</p> <p>Title printed. Carryover bill  McDonnell name added  Blood name added  Hansen name added  Notice of hearing for February 08, 2017  Referred to Judiciary Committee  Date of introduction</p>

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	<p><i>postsecondary educational institution within 30 days of the alleged contact.</i></p> <p><i>First Degree: As the bill relates to education, a person who is a volunteer or an employee of a school commits the offense of sexual abuse of a student if such volunteer or school employee subjects a student who is at least 16 years of age but less than 19 years of age to sexual penetration or sexual contact.</i></p> <p><i>Sexual abuse of a student in the first degree is a Class IIA felony.</i></p> <p><i>Second Degree: A person who is a volunteer or an employee of a school who subjects a student who is at least 16 years of age but less than 19 years of age to sexual contact is guilty of sexual abuse of a student in the second degree.</i></p> <p><i>Sexual abuse of a student in the second degree is a Class IIIA felony.</i></p> <p><i>The bill provides that it is not a defense to a charge of sexual abuse that the student, child, patient, or client consented to the sexual penetration or sexual contact.</i></p>				
LB109	<p>(Blood) Provide for a temporary teaching certificate or permit for military spouses</p> <p><i>LB 109 requires the State Board of Education to issue a temporary certificate or permit to a military spouse who complies with and meets the requirements of the legislation pending issuance of the regular certificate or permit.</i></p> <p><i>A military spouse must submit the following with his/her application for the regular certificate or permit:</i></p> <p><i>(i) A copy of his/her military dependent identification card that identifies him/her as the spouse of an active duty member of the U.S. Armed Forces;</i></p> <p><i>(ii) A copy of his/her spouse's military orders reflecting an active-duty assignment in Nebraska;</i></p> <p><i>(iii) A copy of his/her certificate or permit from another jurisdiction and the applicable statutes, rules, and regulations governing the certificate or permit;</i></p> <p><i>(iv) A copy of his/her fingerprints for a criminal background check if required; and</i></p> <p><i>(v) The fee required for the certificate or permit and the temporary certificate or permit.</i></p> <p><i>If the board determines that the applicant:</i></p> <ul style="list-style-type: none"> <li><i>• is a resident of Nebraska,</i></li> <li><i>• is the spouse of an active duty member of the U.S. Armed Forces who is assigned to a duty station in Nebraska,</i></li> <li><i>• holds a valid certificate or permit in another jurisdiction which has comparable and equivalent requirements for the certificate or permit,</i></li> <li><i>• has submitted fingerprints for a criminal background check if required, and</i></li> <li><i>• has paid the applicable fee,</i></li> </ul> <p><i>...then the State Board must issue a temporary certificate or permit to the applicant.</i></p> <p><i>A temporary certificate or permit issued under LB 109 would be valid for six months and may not be renewed.</i></p>	Monitor	Education	01/23/2017	In Committee
					<p>Brewer name added</p> <p>Title printed. Carryover bill</p> <p>Crawford name added</p> <p>Notice of hearing for January 23, 2017</p> <p>Referred to Education Committee</p> <p>Date of introduction</p>
LB118	<p>(Hilkemann) Adopt the Education Savings Account Act and provide income tax adjustments</p> <p><i>LB 118 creates the Education Savings Account Act to be administered by the Department of Revenue.</i></p> <p><i>Under the legislation, a parent or guardian of a student attending a public, private, denominational, or parochial K-12 accredited school may establish an account with a financial institution and designate the account as an "education savings account." The parent or legal</i></p>	Monitor	Revenue	01/26/2017	In Committee
					<p>Title printed. Carryover bill</p> <p>Notice of hearing for January 26, 2017</p> <p>Krist name added</p> <p>Referred to Revenue Committee</p> <p>Date of introduction</p>

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	<p><i>guardian would be considered the owner of the account.</i></p> <p><i>After establishing the account, the account owner must notify the Department of Revenue that an account has been established and must include the following information: (i) the financial institution where the account is established; (ii) the type of account established; and (iii) the designated beneficiary of the account.</i></p> <p><i>The account may only be used to pay the "qualified education expenses" of the designated beneficiary, including tuition, fees, room and board to attend school, books, supplies, equipment, required uniforms, extracurricular activities, computers, computer equipment, software, Internet access if used primarily for school purposes, distance education classes; and college entrance exams.</i></p> <p><i>The balance in an account must be fully distributed before the designated beneficiary graduates from high school.</i></p> <p><i>LB 118 also permits any natural person, firm, partnership, limited liability company, association, or corporation to contribute up to \$2,000 per calendar year to an account. Contributions may only be in the form of cash.</i></p> <p><i>Federal taxable income would then be reduced by contributions to an account established under the Education Savings Account Act.</i></p>				
LB127	<p>(Groene) Change notice requirements under Open Meetings Act</p> <p><i>Under the current provisions of the Open Meeting Act, each public body is required to give reasonable advance publicized notice of the time and place of each meeting by a method designated by each public body and recorded in its minutes.</i></p> <p><i>LB 127 specifies that notice must be published in a newspaper of general circulation in each county within the public body's jurisdiction and may also be provided by any other appropriate method designated by the public body. The public body must record the methods and dates of such notice in its minutes.</i></p>	Monitor	Government, Military and Veterans Affairs	02/02/2017	<p>General File</p> <p>Erdman name added</p> <p>Title printed. Carryover bill</p> <p>Placed on General File with AM646</p> <p>Government, Military and Veterans Affairs AM646 filed</p> <p>Notice of hearing for February 02, 2017</p> <p>Referred to Government, Military and Veterans Affairs Committee</p> <p>Date of introduction</p>
LB128	<p>(Groene) Change eligibility provisions relating to the Supplemental Nutrition Assistance Program</p> <p><i>Similar to LB311 and also contained in LB344.</i></p> <p><i>Allows people with one or more felony convictions for possession or use of controlled substances, or people with one or two convictions for selling or distributing those drugs, to receive SNAP if they get drug abuse treatment after the most recent conviction. Short of that, they could voluntarily take drug tests, and must test negative for illegal drugs and then be tested randomly at least every six months to qualify. A person convicted of three or more felonies involving the sale or distribution of illegal drugs would be banned from receiving SNAP benefits.</i></p>	Monitor	Health and Human Services	03/22/2017	<p>In Committee</p> <p>Title printed. Carryover bill</p> <p>Notice of hearing for March 22, 2017</p> <p>Referred to Health and Human Services Committee</p> <p>Date of introduction</p>
LB130	<p>(Urban Affairs) Change municipal annexation provisions relating to certain districts</p>	Monitor	Urban Affairs	01/24/2017	<p>Approved by Governor</p> <p>Approved by Governor on February 14, 2018</p> <p>Presented to Governor on February 08, 2018</p> <p>President/Speaker signed</p> <p>Dispensing of reading at large approved</p> <p>Passed on Final Reading 48-0-1</p> <p>Placed on Final Reading</p> <p>Advanced to Enrollment and Review for Engrossment</p>

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					Placed on Select File Advanced to Enrollment and Review Initial Title printed. Carryover bill Placed on General File Notice of hearing for January 24, 2017 Referred to Urban Affairs Committee Date of introduction
LB144	(Friesen) Change agricultural and horticultural adjusted valuations for calculating state aid to schools <i>Under the current school finance formula, the state aid value of agricultural land and special valuation land is 72% of actual value. LB 144 provides a gradual reduction in state aid value for agricultural land and special valuation land as follows: (i) For school fiscal year 2018-19, 72%; (ii) for school fiscal year 2018-19, 50%; (iii) for school fiscal year 2019-20, 40%; (iv) for school fiscal year 2020-21, 30%; and (v) for school fiscal year 2021-22 and thereafter, 20%. State aid value for residential property and personal property remain unchanged under LB 144.</i>	Monitor	Education	02/06/2017	In Committee  Title printed. Carryover bill Bostelman priority bill Notice of hearing for February 06, 2017 Referred to Education Committee Date of introduction
LB155	(Brasch) Require successful completion of a civics examination as a prerequisite to high school graduation <i>LB 155 requires that, beginning in school year 2018-19, the civics portion of the naturalization test used by the U.S. Citizenship and Immigration Services be taken by every Nebraska high school student to demonstrate knowledge and understanding of the fundamentals of U.S. history and the principles of the government of the U.S. The civics test would incorporate the 100 questions listed on a test that is identical to the civics portion of the naturalization test used by the U.S. Citizenship and Immigration Services (as required by 8 U.S.C. 1423). • Each high school student must correctly answer at least 70% of the questions on the civics test as a prerequisite to graduation. • Each school district may determine the method and manner in which to administer the civics test to each student. • A student may take the test, in whole or in part, at any time after enrolling in grade nine and may repeat the test, or any portion, as often as necessary to achieve the required score. • A student may be exempted from the requirement of this section by the student's individualized education plan (IEP). • A school district may not impose or collect any fees or charges in connection with the civics test.</i>	Monitor	Education	03/20/2017	In Committee  Title printed. Carryover bill Brasch AM676 filed Notice of hearing for March 20, 2017 Referred to Education Committee Date of introduction
LB173	(Morfeld) Prohibit discrimination based upon sexual orientation and gender identity <i>LB 173 represents in part a legislative proposal that has been introduced several times in recent years. The bill amends a series of statutes throughout the Nebraska Code to expand definitions and acts of discrimination to include those involving sexual orientation, or gender identity,</i>		Judiciary	02/22/2017	General File  Title printed. Carryover bill Bolz AM958 pending Bolz AM958 filed

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	<p><i>including the Nebraska Fair Employment Practice Act.</i></p> <p><i>The bill also adds a definition of "gender identity" to mean the actual or perceived appearance, expression, identity, or behavior of an individual, whether or not that appearance, expression, identity, or behavior is different from the individual's assigned sex at birth.</i></p> <p><i>Lastly, the bill adds a definition of "sexual orientation" to mean actual or perceived homosexuality, heterosexuality, or bisexuality.</i></p>				<p>Bolz AM958 pending</p> <p>Bolz priority bill</p> <p>Placed on General File</p> <p>Notice of hearing for February 22, 2017</p> <p>Referred to Judiciary Committee</p> <p>Date of introduction</p>
LB175	<p>(Morfeld) Adopt the Student Online Personal Protection Act</p> <p><i>In the 2016 Session, Senator Morfeld introduced LB 692 to implement the Nebraska version of a Student Online Personal Information Protection Act (SOPIPA), which would prohibit technology companies who are invited into schools from using student data for targeted advertising or creating student profiles for non-educational purposes such as for providing credit or insurance. The bill identified practices that would be prohibited or may not be engaged in by operators of Internet web sites, online applications or services, or mobile applications that are used primarily for elementary, middle school or high school purposes. The bill also provided requirements that were to be met by operators in order to protect student information.</i></p> <p><i>The bill was supported by Microsoft, which has thrown its support for student privacy legislation nationwide.</i></p> <p><i>LB 682 was advanced by the Education Committee in 2016, but was not advanced any further. LB 175 (2017) represents essentially the same legislation.</i></p>	Monitor	Education	01/31/2017	<p>In Committee</p> <p>Title printed. Carryover bill</p> <p>Notice of hearing for January 31, 2017</p> <p>Referred to Education Committee</p> <p>Date of introduction</p>
LB179	<p>(Bolz) Change provisions relating to transition of young adults to independence</p>	Monitor	Health and Human Services	02/23/2017	<p>In Committee</p> <p>Title printed. Carryover bill</p> <p>Notice of hearing for February 23, 2017</p> <p>Referred to Health and Human Services Committee</p> <p>Date of introduction</p>
LB181	<p>(Quick) Provide for reimbursement to employees for certain medical examinations under the Nebraska Workers' Compensation Act</p> <p><i>Under current law, an employee is required to submit to a medical exam performed by a physician furnished by the employer or its insurer. LB 181 would allow an employee who disagrees with the medical findings of the employer-appointed physician to be reimbursed by the employer or its insurer for a similar examination and report by a physician selected by the employee.</i></p>	Monitor	Business and Labor	01/23/2017	<p>General File</p> <p>Passed over</p> <p>Title printed. Carryover bill</p> <p>Quick MO50 Unanimous consent to bracket until January 10, 2018 filed</p> <p>Quick MO50 approved</p> <p>Quick priority bill</p> <p>Placed on General File</p> <p>Notice of hearing for January 23, 2017</p> <p>Referred to Business and Labor Committee</p> <p>Date of introduction</p>
LB189	<p>(Howard) Appropriate funds to the Department of Health and Human Services for recruitment and retention of caseworkers</p>	Monitor	Appropriations	03/14/2017	<p>In Committee</p> <p>Title printed. Carryover bill</p> <p>Notice of hearing for March 14, 2017</p> <p>Referred to Appropriations Committee</p>

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LB214	(Halloran) Terminate the Master Teacher Program	Monitor	Education	01/31/2017	In Committee
	<p><i>In 2000, a legislative proposal (LB 1399) was passed and signed into law. LB 1399 contained four major components: (1) create a task force to study teacher salaries in Nebraska; (2) create a student loan forgiveness program to encourage students to become teachers and remain in Nebraska; (3) permit the Nebraska Volunteer Services Commission to apply for a grant with the purpose of providing monetary incentives to prospective teachers; and (4) create a Master Teacher Program to encourage national certification. [SOURCE: NCSA Final Legislative Report, 2000]</i></p> <p><i>It is the fourth of these components of the 2000 legislation that is the focus of LB 214 (2017). The bill would terminate the program effective July 1, 2017.</i></p> <p><i>Note: Statutory authority is currently in place stating that each teacher in the Master Teacher Program will receive an annual salary bonus of \$5,000 up to a statewide total of \$1 million, provided funding is available.</i></p>				<p>Date of introduction</p> <p>Title printed. Carryover bill</p> <p>Notice of hearing for January 31, 2017</p> <p>Referred to Education Committee</p> <p>Date of introduction</p>
LB232	(Kolterman) Provide a property tax exemption for property leased to the state or a governmental subdivision	Monitor	Revenue	02/23/2017	In Committee
	<p><i>LB 232 extends the existing government exemption from property taxes to property leased to the state or a governmental subdivision by the person or entity holding legal title to the property.</i></p>				<p>Title printed. Carryover bill</p> <p>Notice of hearing for February 23, 2017</p> <p>Referred to Revenue Committee</p> <p>Date of introduction</p>
LB233	(Smith) Change revenue and taxation provisions	Monitor	Revenue	03/28/2017	General File
	<p><i>LB 233 contains a number of technical and substantive changes to existing revenue-related statutes.</i></p> <p><i>One of the provisions of the bill would amend the school finance formula (TEEOSA) as it relates to certification of total taxable value by school district (§ 79-1016).</i></p> <p><i>Under the bill, the date is changed from August 20 to August 25 for the county assessor to certify to the Property Tax Administrator the total taxable value by school district in the county for the current assessment year.</i></p> <p><i>The date by which the county assessor may amend the filing for changes made to the taxable valuation of the school district in the county if corrections or errors on the original certification are discovered is changed from August 31 to September 30.</i></p>				<p>Title printed. Carryover bill</p> <p>Krist AM1353 filed</p> <p>Chambers MO100 Bracket until May 1, 2017 filed</p> <p>Passed over</p> <p>Chambers MO100 pending</p> <p>Smith AM707 withdrawn</p> <p>Stinner AM998 pending</p> <p>Revenue AM127 pending</p> <p>Stinner AM998 filed</p> <p>Notice of hearing for March 28, 2017, on AM707</p> <p>Smith AM707 filed</p> <p>Stinner name added</p> <p>Stinner priority bill</p> <p>Placed on General File with AM127</p> <p>Revenue AM127 filed</p> <p>Notice of hearing for January 25, 2017</p> <p>Referred to Revenue Committee</p> <p>Date of introduction</p>
LB235	(Walz) Clarify grant requirements for the Summer Food Service Program	Monitor	Education	01/23/2017	In Committee
	<p><i>LB 235 relates to Nebraska's participation in the Summer Food Service Program promoted by</i></p>				<p>Title printed. Carryover bill</p>

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	<p><i>the U.S. Department of Agriculture to provide adequate nutrition for children.</i></p> <p><i>In order to encourage participation and utilization of the Program, NDE is currently authorized to award grants of up to \$15,000 on a competitive basis to sponsors approved by the department. Grants may be used for nonrecurring expenses incurred in initiating or expanding services under the Program, including the acquisition of equipment, salaries of staff, training of staff in new capacities, outreach efforts to publicize new or expanded services under the Program, minor alterations to accommodate new equipment, computer point-of-service systems for food service, and the purchase of vehicles for transporting food to sites.</i></p> <p><i>The purpose of LB 235 is to clarify that funds may be expended up to the full cost of a qualifying expense incurred by a sponsor in initiating or expanding the services under the Program, and if the funds are expended solely for the benefit of child nutrition programs administered by the department, no proration of the expense would be required.</i></p>				<p>Notice of hearing for January 23, 2017</p> <p>Referred to Education Committee</p> <p>Date of introduction</p>
LB242	(Bolz) Appropriate funds for the recruitment of students who study to become behavioral health professionals	Monitor	Appropriations	02/27/2017	<p>In Committee</p> <p>Title printed. Carryover bill</p> <p>Notice of hearing for February 27, 2017</p> <p>Referred to Appropriations Committee</p> <p>Date of introduction</p>
LB246	<p>(Morfeld) Provide a budget exception for expanded learning opportunity programs</p> <p><i>LB 246 amends the school finance formula (TEEOSA) to permit a spending lid exception for expanded learning opportunity programs or for school-based or school-linked activities and programs that utilize school-community partnerships to expand opportunities for students to participate in educational activities outside the normal classroom.</i></p> <p><i>The bill permits expenditures up to \$100,000 for districts with more than 1,000 students and up to \$50,000 for districts with 1,000 or fewer students.</i></p> <p><i>An "expanded learning opportunity program" is currently defined as a school-community partnership that provides participating elementary-age and secondary-age students and their families with programming and other support activities and services after school and on weekends, holidays, and other hours when school is not in session through a mix of programs and services that (a) complement but do not duplicate elementary and secondary school day learning and (b) create opportunities to strengthen school-community partnerships that provide students and their families with the support they need to be successful in school.</i></p>	Monitor	Education	02/14/2017	<p>General File</p> <p>Title printed. Carryover bill</p> <p>Placed on General File</p> <p>Notice of hearing for February 14, 2017</p> <p>Referred to Education Committee</p> <p>Date of introduction</p>
LB247	<p>(Morfeld) Provide for school district levy and bonding authority for cybersecurity</p> <p><i>Under existing law, a school district may levy up to an additional 3¢ for a specific abatement project to address an actual or potential environmental hazard, accessibility barrier, life safety code violation, life safety hazard, or mold that exists within one or more existing school or administration buildings or the school grounds of existing school or administration buildings controlled by the school district.</i></p> <p><i>LB 247 adds cybersecurity vulnerability to the list of acceptable uses of this additional levy authority.</i></p> <p><i>The bill defines "cybersecurity vulnerability" as any potential data compromise resulting from the loss, theft, disposal, abandonment, accidental publication, or accidental release of personally</i></p>	Monitor	Education	02/14/2017	<p>In Committee</p> <p>Title printed. Carryover bill</p> <p>Notice of hearing for February 14, 2017</p> <p>Referred to Education Committee</p> <p>Date of introduction</p>

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	<p><i>identifiable information or material in any media or format that is not publicly available, including:</i></p> <p><i>(i) Data created by or provided to an elementary school, middle school, high school, or school district in the course of a student's attendance or application for attendance at an elementary school, middle school, or high school; and</i></p> <p><i>(ii) Data created by or provided to an elementary school, middle school, high school, or school district in the course of an employee's employment or application for employment with the school district.</i></p>				
LB248	(Harr) Adopt the Youth Opportunities in Learning and Occupations Act	Monitor	Business and Labor	01/23/2017	<p>General File</p> <p>Title printed. Carryover bill  Halloran MO131 Bracket until June 2, 2017 filed  Harr AM936 lost  Business and Labor AM301 pending  Harr AM936 filed  Harr AM936 pending  Harr priority bill  Placed on General File with AM301  Business and Labor AM301 filed  Notice of hearing for January 23, 2017  Referred to Business and Labor Committee  Date of introduction</p>
LB265	<p>(Friesen) Provide for a minimum amount of state aid based on the number of students in a local system</p> <p><i>LB 265 amends the school finance formula (TEEOSA) to provide for a minimum amount of state aid to be distributed to each school district.</i></p> <p><i>The bill provides that each local system would receive a minimum of aid under the formula equal to at least:</i></p> <p><i>(i) \$1,500 per formula student for school fiscal year 2018-19;</i></p> <p><i>(ii) \$2,000 per formula student for school fiscal year 2019-20;</i></p> <p><i>(iii) \$3,500 per formula student for school fiscal year 2020-21;</i></p> <p><i>(iv) \$4,500 per formula student for school fiscal year 2021-22; and</i></p> <p><i>(v) \$5,500 per formula student for school fiscal year 2022-23 and each school fiscal year thereafter.</i></p> <p><i>LB 265 essentially adds a foundation aid component to the equalization aid formula.</i></p>	Monitor	Education	02/06/2017	<p>In Committee</p> <p>Title printed. Carryover bill  Briese priority bill  Notice of hearing for February 06, 2017  Referred to Education Committee  Date of introduction</p>
LB266	<p>(Friesen) Change the valuation of agricultural land and horticultural land</p> <p><i>Currently, agricultural land/special valuation land is valued at 75% of its actual value. LB 266 would provide an exception to this general rule as it applies to school district taxation as shown below:</i></p> <p><i>Tax Year Percentage</i></p> <p><i>2018 50</i></p> <p><i>2019 40</i></p> <p><i>2020 and after 30</i></p> <p><i>LB 266 also provides an applicable percentage range to be used for purposes of school district</i></p>	Monitor	Revenue	02/16/2017	<p>In Committee</p> <p>Title printed. Carryover bill  Notice of hearing for February 16, 2017  Referred to Revenue Committee  Date of introduction</p>

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	<p><i>taxation as follows:</i>  <i>Tax Year Percentage Range</i>  <i>2018 44 to 50</i>  <i>2019 34 to 40</i>  <i>2020 and after 24 to 30</i>  <i>Finally, the bill changes the existing state aid value within the school finance formula (TEEOSA) with regard to agricultural land and special valuation land, which is currently 72% of actual value or 72% of special valuation. LB 266 creates a separate table for the applicable percentage to be used for state aid value for ag land and special valuation land:</i>  <i>Tax Year Percentage</i>  <i>2018 47</i>  <i>2019 37</i>  <i>2020 and after 27</i>  <i>The bill contains an operative date of January 1, 2018.</i></p>				
LB270	<p>(Kolowski) Appropriate funds to the State  Department of Education  <i>The sole purpose of LB 270 is to require the Legislature to appropriate funds to NDE to carry out the Expanded Learning Opportunity Grant Program Act. The bill would appropriate \$750,000 from the General Fund to NDE in both FY2017-18 and FY2018-19.</i></p>	Monitor	Appropriations	03/07/2017	<p>In Committee</p> <p>Title printed. Carryover bill  Notice of hearing for March 07, 2017  Referred to Appropriations Committee  Date of introduction</p>
LB295	<p><b>(Smith) Adopt the Opportunity Scholarships Act and provide tax credits</b></p>	Monitor	Revenue	01/26/2017	<p><b>General File</b>  <b>Linehan Priority Bill</b></p> <p>Smith AM2071 filed  Harr AM2125 filed  Harr AM2121 filed  Harr AM2120 filed  Harr AM2119 filed  Harr AM1983 filed  Harr AM1985 filed  Harr AM1984 filed  Harr AM1982 filed  Harr AM1977 filed  Harr AM1978 filed  Harr AM1979 filed  Harr AM1980 filed  Harr AM1981 filed  Linehan priority bill  Morfeld AM1893 filed  Halloran name added  Brewer name added  Title printed. Carryover bill  Placed on General File with AM1418  Revenue AM1418 filed  Smith AM1420 filed</p>

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					Smith AM1421 filed Linehan name added Notice of hearing for January 26, 2017 Referred to Revenue Committee Date of introduction
LB304	(Crawford) Change provisions relating to the Nebraska Housing Agency Act	Monitor	Urban Affairs	01/31/2017	Approved by Governor  Approved by Governor on February 14, 2018 Presented to Governor on February 08, 2018 President/Speaker signed Passed on Final Reading 48-0-1 Placed on Final Reading Advanced to Enrollment and Review for Engrossment Placed on Select File Advanced to Enrollment and Review Initial Title printed. Carryover bill Placed on General File Notice of hearing for January 31, 2017 Referred to Urban Affairs Committee Date of introduction
LB305	(Crawford) Adopt the Paid Family Medical Leave Insurance Act <i>4 consecutive weeks are allowed if full time and 25 days if part-time under qualifying events.</i>	Monitor	Business and Labor	02/06/2017	In Committee  Title printed. Carryover bill Notice of hearing for February 06, 2017 Referred to Business and Labor Committee Date of introduction
LB308	(Brasch) Change provisions relating to the committee on Americanism <i>Under existing law (§ 79-724), every school board must, at the beginning of each school year, appoint from its members a committee of three, to be known as the committee on Americanism. LB 308 adds new duties and responsibilities for committees on Americanism:</i> <ul style="list-style-type: none"> <li>• Hold no fewer than three public meetings annually, at least one where public testimony is accepted;</li> <li>• Keep minutes of all meetings showing the time and place of the meeting, which members were present and absent, and the substance and details of all matters discussed; and</li> <li>• Ensure that any curriculum that is recommended or approved by the committee on Americanism is made readily accessible to the public and contains a reference to Section 79-724, Neb. Revised Statutes.</li> </ul>	Monitor	Education	03/20/2017	In Committee  Briese name added Thibodeau name added Title printed. Carryover bill Brasch AM675 filed Notice of hearing for March 20, 2017 Referred to Education Committee Date of introduction
LB309	(Brasch) Eliminate Daylight Saving Time	Monitor	Government, Military and Veterans Affairs	03/03/2017	In Committee  Title printed. Carryover bill Notice of hearing for March 03, 2017 Referred to Government, Military and Veterans Affairs Committee

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LB312	<p>(Briese) Change and eliminate revenue and taxation provisions</p> <p><i>LB 312 creates the Excess Revenue Property Tax Credit Fund. The fund would consist of funds generated by eliminating sales tax exemptions and would be used to provide a property tax credit to owners of real property. The bill is also meant to allocate funds to each taxing unit levying taxes as a revenue source.</i></p> <p><i>The bill eliminates sales tax exemptions from a variety of items and events, including:</i></p> <ul style="list-style-type: none"> <li>• <i>Prepared food and food and food ingredients served by public or private schools, school districts, student organizations, or parent-teacher associations pursuant to an agreement with the proper school authorities, in an elementary or secondary school or at any institution of higher education, public or private, during the regular school day or at an approved function of any such school or institution; and</i></li> <li>• <i>Fees and admissions charged by a public or private elementary or secondary school and fees and admissions charged by a school district, student organization, or parent-teacher association in a public or private elementary or secondary school during the regular school day or at an approved function of any such school;</i></li> </ul> <p><i>The also eliminates sales tax exemptions for soft drinks, candy, or bottled water.</i></p>	Monitor	Revenue	02/22/2017	<p>In Committee</p> <p>Date of introduction</p> <p>Title printed. Carryover bill  Notice of hearing for February 22, 2017  Referred to Revenue Committee  Date of introduction</p>
LB321	<p>(Lowe) Change provisions relating to unlawful possession of a firearm at a school</p> <p><i>Under the existing Criminal Code, any person who possesses a firearm in a school, on school grounds, in a school-owned vehicle, or at a school-sponsored activity or athletic event is guilty of the offense of unlawful possession of a firearm at a school.</i></p> <p><i>One of the existing exceptions to this offense are firearms that may lawfully be possessed by a member of a college or university rifle team, within the scope of such person's duties as a member of the team.</i></p> <p><i>LB 321 maintains this exception but removes the word "rifle," which apparently broadens the scope of "university team" to include teams other than just a rifle team.</i></p>	Monitor	Judiciary	02/02/2017	<p>Final Reading</p> <p>Placed on Final Reading  Advanced to Enrollment and Review for Engrossment  Bostelman AM1655 adopted  Bostelman AM1522 withdrawn  Bostelman AM1655 filed  Placed on Select File  Advanced to Enrollment and Review Initial  Chambers MO182 Reconsider the vote on FA90 filed  Chambers MO182 withdrawn  Chambers FA90 lost  Chambers FA90 filed  Chambers MO180 failed  Chambers MO180 Recommit to Judiciary Committee filed  Bostelman FA87 withdrawn  Chambers MO165 failed  Bostelman AM1522 filed  Chambers MO165 Reconsider the vote to indefinitely postpone filed  Ebke FA86 withdrawn  Chambers MO164 failed  Chambers MO165 pending  Chambers MO164 Indefinitely postpone filed  Chambers MO163 failed</p>

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					Chambers MO163 Reconsider the vote to bracket filed Chambers MO162 failed Chambers MO162 Bracket until April 18, 2018 filed Ebke FA86 filed Bostelman FA87 filed Chambers MO159 lost Chambers MO159 Bracket until April 18, 2018 filed Schumacher FA85 filed Schumacher FA85 adopted Title printed. Carryover bill Placed on General File Notice of hearing for February 02, 2017 Referred to Judiciary Committee Date of introduction
LB326	(Kolowski) Provide additional budget and tax levy authority for certain school districts <i>LB 326 represents a relief valve for school districts through the school finance formula and levy authority.</i> <i>Under the legislation, by September 15, 2017 (and March 1 each year thereafter) NDE would be required to determine the total aid disbursements divided by the average daily membership (ADM) for the most recently available complete data year for each school district and the statewide median of such calculation for all school districts and then certify the amounts to the Director of Administrative Services (DAS), the State Auditor, and each school district.</i> <i>The bill then provides that any school district for which the calculation of total disbursements divided by ADM for the most recently available complete data year is below the statewide median of such calculation for all school districts may levy up to an additional 3¢ if the additional levy is approved for each fiscal year by a two-thirds majority vote of the school board after a public hearing.</i>	Monitor	Revenue	03/02/2017	In Committee  Title printed. Carryover bill Notice of hearing for March 02, 2017 Referred to Revenue Committee Date of introduction
LB337	(Smith) Change income tax rates and provide for deferrals of the rate changes		Revenue	02/08/2017	In Committee  Title printed. Carryover bill Lindstrom priority bill Notice of hearing for February 08, 2017 Referred to Revenue Committee Date of introduction
LB338	(Brasch) Adopt the Agricultural Valuation Fairness Act <i>LB 338 represents part of the Governor's agenda for the 2017 Session. The Agricultural Valuation Fairness Act would change the methodology for assessing property value from a market-based system to an income-potential assessment.</i> <i>Under the bill, agricultural land would be valued at its "agricultural use value" regardless of any value that the land might have for purposes other than agricultural purposes. In order for land to receive agricultural use value, all of the following criteria must be met:</i> <i>(a) The land must be located outside the corporate boundaries of any sanitary and</i>	Monitor	Revenue	02/08/2017	In Committee  Title printed. Carryover bill Brasch priority bill Notice of hearing for February 08, 2017 Referred to Revenue Committee Date of introduction

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	<p><i>improvement district, city, or village except as provided below; and</i></p> <p><i>(b) The land must be used for agricultural or horticultural purposes.</i></p> <p><i>Agricultural use value may be applied to agricultural land included within the corporate boundaries of a city or village if the land is subject to a conservation or preservation easement as provided in the Conservation and Preservation Easements Act and the governing body of the city or village approves the agreement creating the easement.</i></p> <p><i>The eligibility of land for agricultural use value must be determined each year as of January 1. If land so qualified becomes disqualified on or before December 31 of that year, it must continue to receive agricultural use value until January 1 of the year following.</i></p> <p><i>The bill requires the county assessor to determine the appropriate income for each land capability group in the county that falls within the applicable income range established by the Property Tax Administrator. The income so determined for each parcel would be divided by the applicable capitalization rate set by the Property Tax Administrator. The resulting value for each parcel would be reported on the abstract of real property.</i></p> <p><i>LB 338 also amends the state aid formula (TEEOSA) with regard to calculation of state aid value. The bill provides that for agricultural land, value is determined under the Agricultural Valuation Fairness Act.</i></p> <p><i>The bill contains an operative date of January 1, 2019.</i></p>				
LB354	(Kolowski) Adopt the Wage Disclosure Act	Monitor	Business and Labor	02/27/2017	In Committee
					Title printed. Carryover bill Notice of hearing for February 27, 2017 Referred to Business and Labor Committee Date of introduction
LB358	(McCollister) Change income eligibility provisions relating to the Supplemental Nutrition Assistance Program	Monitor	Health and Human Services	02/16/2017	Failed to Advance
					Title printed. Carryover bill Failed to advance to Enrollment and Review Initial Health and Human Services AM493 adopted Placed on General File with AM493 Health and Human Services AM493 filed McCollister priority bill Notice of hearing for February 16, 2017 Referred to Health and Human Services Committee Date of introduction
LB361	(Kolowski) Exempt sales of clothing and footwear from sales and use taxes as prescribed	Monitor	Revenue	03/17/2017	In Committee
					Title printed. Carryover bill Notice of hearing for March 17, 2017 Referred to Revenue Committee Date of introduction
LB365	(Blood) Change provisions relating to access to public records and provide for fees	Monitor	Government, Military and Veterans Affairs	02/02/2017	General File

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	<i>LB 365 amends the Public Records laws to differentiate residents of Nebraska versus nonresidents. The bill defines "resident" as a person domiciled in this state and includes news media without regard to domicile. Under current law, actual added cost used as the basis for calculation shall not include a charge for the salary or pay obligation to public officers for the the first 4 hours. The bill states that for nonresidents of Nebraska, the actual added cost used as the basis for the calculation of a fee for records may include a charge for the existing salary or pay obligation to the public officers or employees, including a charge for the services of an attorney to review the requested public records. Apparently this has to do with large requests of the Mayor's emails.</i>				Title printed. Carryover bill Placed on General File Notice of hearing for February 02, 2017 Referred to Government, Military and Veterans Affairs Committee Date of introduction
LB372	(Crawford) Provide protections for employees with family care responsibilities under the Nebraska Fair Employment Practice Act  <i>Under the current provisions of the Nebraska Fair Employment Practice Act, the policy of the state is to foster the employment of all employable persons in the state on the basis of merit regardless of their race, color, religion, sex, disability, or national origin and to safeguard their right to obtain and hold employment without discrimination because of their race, color, religion, sex, disability, or national origin.</i> <i>LB 372 expands this state policy to include family care responsibilities, which is defined in the bill as providing direct and ongoing care for a person's spouse, child, parent, sibling, grandchild, or grandparent or a child or parent of such person's spouse.</i>	Monitor	Business and Labor	02/06/2017	In Committee  Title printed. Carryover bill Notice of hearing for February 06, 2017 Referred to Business and Labor Committee Date of introduction
LB377	(Education) Change provisions relating to classification of school districts  <i>LB 377 represents a technical cleanup bill with the focus on removing all obsolete references to Class I (elementary only) and Class II (small K-12) school districts.</i>	Monitor	Education	01/31/2017	Approved by Governor  Approved by Governor on February 14, 2018 Presented to Governor on February 08, 2018 President/Speaker signed Passed on Final Reading 47-0-2 Dispensing of reading at large approved Placed on Final Reading with ST37 Enrollment and Review ER96 adopted Groene AM1454 adopted Advanced to Enrollment and Review for Engrossment Enrollment and Review ER96 filed Placed on Select File with ER96 Groene AM1454 filed Advanced to Enrollment and Review Initial Title printed. Carryover bill Placed on General File Notice of hearing for January 31, 2017 Referred to Education Committee Date of introduction
LB420	(McCollister) Adopt the Fair Chance Hiring Act  <i>The general rule under existing statute is that an employer may not ask an applicant for employment to disclose, orally or in writing, information concerning the applicant's criminal record or history, including any inquiry on any employment application, until the public employer or employment agency has determined the applicant meets the minimum employment qualifications. This law was passed in 2014 (LB 907).</i>	Monitor	Business and Labor	03/13/2017	General File  Title printed. Carryover bill Placed on General File with AM553 Business and Labor AM553 filed Notice of hearing for March 13, 2017 Referred to Business and Labor Committee

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	<p><i>LB 420 first adds employment agencies to this general rule. Under LB 420, "employment agency" is defined as any person regularly undertaking with or without compensation to procure employees for an employer or to procure for employees' opportunities to work for an employer and includes an agent of such a person.</i></p> <p><i>The bill also provides an exception to the general rule noted above. LB 420 state that, prior to determining whether an applicant meets the minimum employment qualifications, an employer or employment agency may ask the applicant to disclose, orally or in writing, information concerning the applicant's criminal record or history, including any inquiry on any employment application, if:</i></p> <p><i>(a) The applicant is applying for a position for which:</i></p> <p><i>(i) A criminal history record information check is required by federal or state law; or</i></p> <p><i>(ii) Federal or state law specifically disqualifies an applicant with a criminal background even if such law allows for a waiver that would allow such applicant to be employed;</i></p> <p><i>and</i></p> <p><i>(b) The inquiry or request for disclosure is limited to the types of criminal offenses that the employer or employment agency is required to conduct a check for or that disqualify the applicant.</i></p> <p><i>Lastly, LB 420 states that if an employer or employment agency inquires about or requests disclosure of an applicant's criminal history record information and the applicant is still eligible for the position under federal or state law, the employer or employment agency must afford the applicant an opportunity to explain the information and the circumstances regarding any convictions, including post-conviction rehabilitation.</i></p>				Date of introduction
LB428	<p>(Vargas) Require schools and the State Department of Education to adopt policies relating to pregnant and parenting students</p> <p><i>LB 428 provides that, beginning May 1, 2018, each school district must adopt a written policy to be implemented at the start of school year 2018-19 that provides for standards and guidelines to accommodate pregnant and parenting students. The policy must include procedures and provisions in conformance with the minimum standards set forth in the model policy developed by NDE and may include any other procedures and provisions the district deems appropriate.</i></p>	Monitor	Education	01/30/2017	<p>In Committee</p> <p>Title printed. Carryover bill            Notice of hearing for January 30, 2017            Referred to Education Committee            Date of introduction</p>
LB431	<p>(Erdman) Change provisions relating to cash reserves under the Nebraska Budget Act</p>	Oppose	Government, Military and Veterans Affairs	01/26/2017	<p>In Committee</p> <p>Title printed. Carryover bill            Notice of hearing for January 26, 2017            Referred to Government, Military and Veterans Affairs Committee            Date of introduction</p>
LB457	<p>(Briese) Change exceptions to school district levy and budget exceptions for voluntary termination agreements</p>		Education	01/31/2017	<p>In Committee</p> <p>Title printed. Carryover bill            Notice of hearing for January 31, 2017            Referred to Education Committee            Date of introduction</p>

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LB479	(Groene) Change public hearing provisions and redefine a term under the Nebraska Budget Act	Monitor	Government, Military and Veterans Affairs	01/26/2017	General File  Friesen AM1631 filed Title printed. Carryover bill Placed on General File with AM35 Government, Military and Veterans Affairs AM35 filed Notice of hearing for January 26, 2017 Referred to Government, Military and Veterans Affairs Committee Date of introduction
LB482	(Smith) Adopt the Government Neutrality in Contracting Act	Monitor	Government, Military and Veterans Affairs	02/24/2017	General File  Wayne AM1486 filed Wayne AM1485 filed Wayne AM1483 filed Wayne AM1484 filed Title printed. Carryover bill Placed on General File Notice of hearing for February 24, 2017 Referred to Government, Military and Veterans Affairs Committee Date of introduction
LB484	(Kolowski) Create the School Financing Review Commission	Monitor	Education	03/06/2017	In Committee  Title printed. Carryover bill Kolowski MO106 Place on General File filed Kolowski priority bill Notice of hearing for March 06, 2017 Referred to Education Committee Date of introduction
LB540	(Stinner) Provide for a temporary aid adjustment factor in the Tax Equity and Educational Opportunities Support Act  <i>Requires reductions from allocated income tax rebate and net option funding aid first. Then, if additional reductions in state-aid are needed in order to meet the amount of general funds appropriated for TEEOSA, then equalization aid will be reduced. Accordingly, it appears that approximately 90 school districts that are unequalized will lose all state-aid (net option funds and allocated income tax). Adversely impacts schools heavily dependent on net option funding.</i>		Education	03/21/2017	In Committee  Title printed. Carryover bill Notice of hearing for March 21, 2017 Referred to Education Committee Date of introduction
LB554	(Smith) Provide for a financial transparency web site for schools, school districts, and educational service units		Education	02/07/2017	In Committee  Title printed. Carryover bill Notice of hearing for February 07, 2017 Referred to Education Committee Date of introduction

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LB568	(Erdman) Change provisions related to temporary teaching certificates		Education	03/14/2017	In Committee  Title printed. Carryover bill Notice of hearing for March 14, 2017 Erdman AM150 filed Referred to Education Committee Date of introduction
LB595	(Groene) Provide for the use of physical force or physical restraint or removal from a class in response to student behavior		Education	02/07/2017	General File  Title printed. Carryover bill Chambers MO99 Reconsider the vote to recommit to committee filed Walz AM1165 filed Chambers AM1158 filed Chambers MO99 pending Chambers MO98 failed Chambers MO19 withdrawn Chambers MO98 pending Chambers MO98 Recommit to Education Committee filed Baker AM797 pending Education AM581 pending Baker AM1091 filed Baker AM1084 filed Baker AM1085 filed Baker AM1086 filed Baker AM1087 filed Baker AM1088 filed Baker AM1089 filed Baker AM1090 filed Baker AM1092 filed Baker AM797 filed Placed on General File with AM581 Education AM581 filed Groene priority bill Chambers motion to overrule the Speaker's Agenda failed Chambers motion to reconsider the vote on the motion to overrule the Speaker's Agenda failed Notice of hearing for February 07, 2017 Chambers MO19 Rerefer to Judiciary Committee filed Rereferred to Education Committee Referred to Judiciary Committee Date of introduction

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LB608	(Linehan) Adopt the Parental Choice Scholarship Program		Education	02/13/2017	In Committee  Title printed. Carryover bill Notice of hearing for February 13, 2017 Referred to Education Committee Date of introduction
LB630	(Larson) Adopt the Independent Public Schools Act		Education	03/14/2017	In Committee  Title printed. Carryover bill Notice of hearing for March 14, 2017 Referred to Education Committee Date of introduction
LB640	(Groene) Change provisions of the Property Tax Credit Act and provide school district property tax relief	Monitor	Revenue	02/16/2017	General File Groene Priority Bill  Groene priority bill Title printed. Carryover bill Baker MO88 Indefinitely postpone filed Friesen AM1065 filed Groene AM992 adopted Briese AM1036 pending Briese AM1036 filed Groene AM992 pending Revenue AM752 pending Groene AM992 filed Revenue AM752 filed Placed on General File with AM752 Friesen priority bill Notice of hearing for February 16, 2017 Referred to Revenue Committee Date of introduction
LB650	(Linehan) Change provisions for teaching certificates	Monitor	Education	03/14/2017	In Committee  Title printed. Carryover bill Notice of hearing for March 14, 2017 Brewer name added Referred to Education Committee Date of introduction
LB651	(Linehan) Adopt the Nebraska Reading Improvement Act	Monitor	Education	03/07/2017	In Committee  Lowe name added Linehan AM1590 filed Title printed. Carryover bill Chambers MO139 Reconsider the vote to bracket filed

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Document	Description	Position	Committee	Hearing Date	Status
					Vargas AM1388 filed Chambers MO139 pending Chambers MO138 failed Chambers MO138 Bracket until May 25, 2017 filed Linehan AM1394 filed Pansing Brooks AM1368 filed Harr AM1367 filed Linehan AM1226 filed Placed on General File Linehan MO103 prevailed Harr motion to overrule Chair withdrawn Chair ruled there had been full and fair debate on Linehan MO103 Linehan MO103 Place on General File filed Linehan priority bill Notice of hearing for March 07, 2017 Referred to Education Committee Date of introduction
LB655	(Murante) Authorize state employees to volunteer at public schools and certain nonprofit organizations	Monitor	Government, Military and Veterans Affairs	02/08/2017	General File  Title printed. Carryover bill Placed on General File with AM177 Government, Military and Veterans Affairs AM177 filed Notice of hearing for February 08, 2017 Referred to Government, Military and Veterans Affairs Committee Date of introduction
LB662	(Linehan) Establish a grading system for schools and school districts	Monitor	Education	03/07/2017	In Committee  Title printed. Carryover bill Notice of hearing for March 07, 2017 Referred to Education Committee Date of introduction
LB664	(Kuehn) Prohibit a political subdivision from using taxes or fees to employ a lobbyist	Monitor	Government, Military and Veterans Affairs	03/22/2017	In Committee  Title printed. Carryover bill Notice of hearing for March 22, 2017 Chambers motion to overrule the Speaker's Agenda failed Chambers motion to reconsider the vote on the motion to overrule the Speaker's Agenda failed Referred to Government, Military and Veterans Affairs Committee Date of introduction

**Bromm, Nielsen & Mines**  
**Educational Service Unit Council**  
**Weekly Report for Bills of Interest on 03/01/2018**

Document	Description	Position	Committee	Hearing Date	Status
LB688	(Blood) Provide for the possession, use, and application of sunscreen for children and students and provide immunity		Judiciary	01/25/2018	In Committee  Notice of hearing for January 25, 2018 Referred to Judiciary Committee Howard name added Date of introduction
LB768	(Quick) Redefine economic development program to include early childhood infrastructure development for cities of the first and second class and villages		Urban Affairs	01/23/2018	General File  Placed on General File with AM1586 Urban Affairs AM1586 filed Notice of hearing for January 23, 2018 Referred to Urban Affairs Committee Date of introduction
LB778	(Groene) Require voter approval for school district building fund levies  <i>Clarifies that the special tax (building fund), cannot be used to build a new school building, add additional footage to an existing school building, or purchase sites upon which new buildings will be located. School districts looking to use the building fund to build new buildings, add additional square footage to an existing school building, or purchase land for the site of a new building, must receive approval through a vote of its citizens at a general or special election.</i>		Education		In Committee Education Priority Bill  Education priority bill Referred to Education Committee Brewer name added Date of introduction
LB779	(Groene) Change provisions relating to learning communities  <i>Makes changes in duties and requirements of learning communities. Some include: removing a goal of creating socioeconomic diversity across the learning community and removes the cap on levy expenditures of 10% for elementary learning center employees.</i>		Education	01/22/2018	In Committee  Notice of hearing for January 22, 2018 Referred to Education Committee Date of introduction
LB783	(Vargas) Define "educational interpreter" for purposes of students eligible for special education as prescribed		Education	01/22/2018	In Committee  Notice of hearing for January 22, 2018 Referred to Education Committee Date of introduction
LB793	(Riepe) Eliminate provisions relating to specialized services under the Developmental Disabilities Services Act		Health and Human Services	01/25/2018	In Committee Health and Human Services Priority Bill  Health and Human Services priority bill Notice of hearing for January 25, 2018 Referred to Health and Human Services Committee Date of introduction
LB801	(Stinner) Adopt the Panhandle Beginnings Act to provide certain services to school-age children		Education	02/12/2018	In Committee  Notice of hearing for February 12, 2018 Referred to Education Committee Date of introduction

**Bromm, Nielsen & Mines**  
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**Weekly Report for Bills of Interest on 03/01/2018**

Document	Description	Position	Committee	Hearing Date	Status
LB803	(Stinner) Change provisions related to kindergarten, early childhood education, and the Step Up to Quality Childcare Act		Education	01/22/2018	General File Speaker Priority Bill  Placed on General File with AM1719 Education AM1719 filed Speaker priority bill Notice of hearing for January 22, 2018 Referred to Education Committee Date of introduction
LB804	(Brasch) Include elementary and secondary schools in the Nebraska educational savings plan trust and change tax benefits		Revenue	01/26/2018	In Committee  Notice of hearing for January 26, 2018 Referred to Revenue Committee Date of introduction
LB825	(Brewer) Change provisions relating to budgets and public hearing notice for certain governmental entities		Government, Military and Veterans Affairs	01/17/2018	In Committee  Notice of hearing for January 17, 2018 Referred to Government, Military and Veterans Affairs Committee Date of introduction
LB828	(Lowe) Adopt the Empowerment Savings Account Act  <i>- A school district would pay an amount equal to 3% of the anticipated state average per pupil spending into each empowerment savings account for an eligible student residing in the school district. Appropriate expenses include: online programs approved by the department; educational therapy or services; tutoring services and bank fees.</i>		Education	01/30/2018	In Committee  Notice of hearing for January 30, 2018 Referred to Education Committee Date of introduction
LB829	(Erdman) Adopt the Property Tax Relief Act  <i>A property tax relief bill that would enable Nebraska property owners to get a credit or refund on their state income tax return equal to 50% of that portion of their property tax bill, which goes to fund K-12 education. This may result in a 30% reduction in property taxes.</i>		Revenue	01/25/2018	In Committee Erdman Priority Bill  Erdman priority bill Lowe name added Groene name added Notice of hearing for January 25, 2018 Briese name added Halloran name added Referred to Revenue Committee Brewer name added Date of introduction
LB850	(Linehan) Require disclosure of the anticipated cost to a political subdivision to pay off its bonds  <i>Any political subdivision that issues bonds on or after August 1, 2018, must disclose the anticipated cost to the political subdivision of paying off the bonds according to their terms.</i>		Government, Military and Veterans Affairs	01/31/2018	In Committee  Linehan AM1564 filed Notice of hearing for January 31, 2018 Referred to Government, Military and Veterans Affairs Committee Date of introduction

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<b>Document</b>	<b>Description</b>	<b>Position</b>	<b>Committee</b>	<b>Hearing Date</b>	<b>Status</b>
LB851	(Linehan) Limit superintendent and educational service unit administrator compensation		Education	01/22/2018	In Committee  Notice of hearing for January 22, 2018 Referred to Education Committee Date of introduction
LB876	(Kolowski) Change special education reimbursements		Education	01/30/2018	In Committee  Notice of hearing for January 30, 2018 Referred to Education Committee Date of introduction
LB877	(Kolowski) Change provisions related to early childhood education in the Tax Equity and Educational Opportunities Support Act		Education	01/30/2018	In Committee  Notice of hearing for January 30, 2018 Referred to Education Committee Date of introduction
LB880	(Hansen) Provide for an early childhood element as prescribed for cities with comprehensive plans		Urban Affairs	01/23/2018	General File  Placed on General File with AM1792 Urban Affairs AM1792 filed Notice of hearing for January 23, 2018 Referred to Urban Affairs Committee Date of introduction
LB886	(Morfeld) Protect student journalists' and student media advisers' rights of and freedom of speech and of the press		Judiciary	02/08/2018	In Committee  Notice of hearing for February 08, 2018 Referred to Judiciary Committee Date of introduction
<b>LB887</b>	<b>(Murante) Clarify requirements for exceeding budget limitations under the Nebraska Budget Act</b>		<b>Government, Military and Veterans Affairs</b>	<b>01/18/2018</b>	<b>General File</b>  <b>Placed on General File with AM1781</b> <b>Government, Military and Veterans Affairs</b> <b>AM1781 filed</b> <b>Notice of hearing for January 18, 2018</b> <b>Referred to Government, Military and Veterans Affairs Committee</b> <b>Date of introduction</b>
LB888	(Wayne) Require schools to post the child abuse and neglect toll-free telephone number		Education	01/23/2018	In Committee  Notice of hearing for January 23, 2018 Referred to Education Committee Date of introduction

**Bromm, Nielsen & Mines**  
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**Weekly Report for Bills of Interest on 03/01/2018**

<b>Document</b>	<b>Description</b>	<b>Position</b>	<b>Committee</b>	<b>Hearing Date</b>	<b>Status</b>
LB910	(Bolz) Adopt the Property Tax Circuit Breaker Act and change the funding of the Property Tax Credit Act <i>Provides a refundable income tax credit for agricultural and horticultural property tax payers, residential home owners and renters.</i>		Revenue	02/23/2018	In Committee  Notice of hearing for February 23, 2018 Referred to Revenue Committee
LB911	(Bolz) Adopt the School District Local Option Income Surtax Act <i>Would create a local option income surtax of up to 20% if approved by voters. Funds would be used for property tax reduction or school building construction, remodeling or acquisition.</i>		Revenue	02/14/2018	In Committee  Notice of hearing for February 14, 2018 Referred to Revenue Committee
LB912	(McCollister) Provide for posting a toll-free telephone number set up to report child abuse and neglect		Education	01/23/2018	General File  Placed on General File with AM1597 Education AM1597 filed Howard name added Walz name added Baker name added Notice of hearing for January 23, 2018 Referred to Education Committee
LB938	(Stinner) Change provisions relating to the transfer of excess General Fund net receipts to the Cash Reserve Fund		Appropriations	02/08/2018	In Committee  Notice of hearing for February 08, 2018 Referred to Appropriations Committee Date of introduction
LB943	(Wishart) Redefine a term relating to budget limitations <i>– Removes school districts from the 2 ½ percent budget limitation rate applicable and the limitation on growth of restricted funds.</i>		Government, Military and Veterans Affairs	01/31/2018	In Committee  Notice of hearing for January 31, 2018 Referred to Government, Military and Veterans Affairs Committee Date of introduction
LB997	(Murante) Provide limits on salaries of administrative employees of political subdivisions		Government, Military and Veterans Affairs	01/25/2018	In Committee  Notice of hearing for January 25, 2018 Referred to Government, Military and Veterans Affairs Committee Date of introduction
LB998	<b>(Walz) Create the Collaborative School Behavioral and Mental Health Program</b>		<b>Education</b>	<b>02/12/2018</b>	<b>General File</b> <b>Bolz Priority Bill</b>  <b>Education AM2044 filed</b> <b>Placed on General File with AM2044</b> <b>Bolz priority bill</b> <b>Notice of hearing for February 12, 2018</b> <b>Referred to Education Committee</b> <b>Baker name added</b>

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<b>Document</b>	<b>Description</b>	<b>Position</b>	<b>Committee</b>	<b>Hearing Date</b>	<b>Status</b> <b>Date of introduction</b>
LB999	(Vargas) Change provisions relating to the Student Discipline Act		Education	02/13/2018	In Committee  Notice of hearing for February 13, 2018 Referred to Education Committee Date of introduction
<b>LB1000</b>	<b>(Briese) Require a bond election under the Public Facilities Construction and Finance Act</b>		<b>Government, Military and Veterans Affairs</b>	<b>02/01/2018</b>	<b>General File</b>  <b>Placed on General File with AM1717</b> <b>Government, Military and Veterans Affairs</b> <b>AM1717 filed</b> <b>Notice of hearing for February 01, 2018</b> <b>Referred to Government, Military and Veterans Affairs Committee</b> <b>Date of introduction</b>
LB1001	(Briese) Provide for a review of the financing of schools <i>Requires the State Department of Education to oversee an in-depth review of the financing of the public elementary and secondary schools.</i>		Education	02/05/2018	In Committee  Lowe name added Lindstrom name added Stinner name added Hansen name added Morfeld name added Watermeier name added Baker name added Ebke name added McDonnell name added Notice of hearing for February 05, 2018 Referred to Education Committee Date of introduction
LB1005	(Kolterman) Change county and school retirement provisions		Nebraska Retirement Systems	02/02/2018	In Committee Nebraska Retirement Systems Priority Bill  Nebraska Retirement Systems priority bill Notice of hearing for February 02, 2018 Referred to Nebraska Retirement Systems Committee Date of introduction Kolterman motion to suspend rules to permit introduction of bill prevailed
LB1007	(Kolowski) Authorize school districts to levy a tax and establish a fund for facilities-related expenditures <i>School districts may, upon a 2/3 majority vote of the local school board, levy three cents on each \$100 of taxable property for maintenance, upkeep, rehabilitation, and construction within existing school district facilities.</i>		Revenue	02/14/2018	In Committee  Notice of hearing for February 14, 2018 Referred to Revenue Committee Date of introduction

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<b>Document</b>	<b>Description</b>	<b>Position</b>	<b>Committee</b>	<b>Hearing Date</b>	<b>Status</b>
LB1033	(Murante) Eliminate learning communities		Education	02/26/2018	In Committee  Notice of hearing for February 26, 2018 Referred to Education Committee Date of introduction
LB1052	(Pansing Brooks) Require instruction and teacher education related to dyslexia		Education	02/13/2018	In Committee  Erdman name added Notice of hearing for February 13, 2018 Referred to Education Committee Date of introduction
LB1056	(Hansen) Provide for collection of data on student disciplinary actions		Education	02/06/2018	In Committee  Notice of hearing for February 06, 2018 Referred to Education Committee Date of introduction
<b>LB1069</b>	<b>(Brasch) Change provisions related to the Committee on Americanism</b>		<b>Education</b>	<b>02/05/2018</b>	<b>In Committee</b> <b>Brasch Priority Bill</b>  Hilkemann name added Bostelman name added McCollister name added Riepe name added Hughes name added Lindstrom name added Friesen name added Brasch priority bill Stinner name added Linehan name added Kuehn name added Briese name added Geist name added Halloran name added Hilgers name added Clements name added Williams name added Watermeier name added Groene name added Thibodeau name added Albrecht name added Brewer name added Murante name added Erdman name added Lowe name added Notice of hearing for February 05, 2018

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Document	Description	Position	Committee	Hearing Date	Status
					<b>Referred to Education Committee</b> <b>Date of introduction</b>
LB1070	(Brewer) Change an election requirement for school districts with fewer than twenty-five students in high school grades		Education	02/05/2018	General File  Placed on General File Notice of hearing for February 05, 2018 Referred to Education Committee Pansing Brooks name added Date of introduction
LB1077	(Friesen) Eliminate levy limits for school districts		Revenue	02/14/2018	In Committee  Notice of hearing for February 14, 2018 Referred to Revenue Committee Date of introduction
LB1081	(Education) Change education provisions regarding reporting, penalties, residency, boundaries, priority schools, subpoena authority, poverty, and limited English proficiency		Education	02/12/2018	General File Education Priority Bill  Placed on General File Education priority bill Notice of hearing for February 12, 2018 Referred to Education Committee Date of introduction
LB1084	<b>(Briese) Adopt the Property Tax Request Limitation Act, provide sunset dates for certain tax exemptions and incentives, and change other revenue and taxation provisions</b> <i>The actual value of agricultural land and horticultural land would be determined based upon the land's capitalized net earning capacity.</i> <i>Eliminates sales tax exemption for many items including: storage and moving services, custom meat slaughtering, utility-type vehicles, cleaning of clothing, landscape services, pet services, taxi, limosine, parking lot services.</i> <i>Removes sales tax exemption for prepared food and food and food ingredients served by public or private schools, school districts, student organizations, or parent-teacher associations, in an elementary or secondary school or at any institution of higher education during the regular school day or at an approved school function; Fees and admissions charged by a public or private elementary or secondary school,</i> <i>Imposes a new sales tax on soft drinks, candy, and bottled water.</i> <i>Outright repeals sales tax exemptions on wireless prepaid service.</i>		Revenue	02/08/2018	<b>In Committee</b> <b>Briese Priority Bill</b>  Briese FA109 filed McDonnell AM2082 filed McDonnell AM2085 filed McDonnell AM2084 filed McDonnell AM2083 filed Briese FA103 filed Briese FA104 filed Briese FA105 filed Notice of hearing for February 08, 2018 Briese priority bill Halloran name added Referred to Revenue Committee Howard name added Blood name added Date of introduction

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Document	Description	Position	Committee	Hearing Date	Status
LB1088	(Wayne) Adopt the Nebraska Education Formula and the Remote Seller Sales Tax Collection Act, terminate the Tax Equity and Educational Opportunities Support Act and the Property Tax Credit Act, and eliminate certain tax exemptions <i>Adopts the Remote Seller Sales Tax Collection Act to collect sales tax from Internet sellers, creates a funding mechanism for public schools and eliminates TEEOSA.</i> <i>Outright repeals sections on special grants, on annual financial report, on school district expenditures, on state aid payments, Legislative intent on classroom expenditures, and other TEEOSA provisions.</i>		Revenue	02/27/2018	In Committee  Notice of hearing for February 27, 2018 Wayne MO188 Rerefer to Education Committee filed Wayne MO185 Rerefer to Government, Military and Veterans Affairs filed Referred to Revenue Committee Date of introduction
LB1094	(Hilgers) Provide for financial literacy and entrepreneurship academic content standards		Education	02/06/2018	In Committee  Notice of hearing for February 06, 2018 Referred to Education Committee Date of introduction
LB1100	<b>(Erdman) Change the valuation of agricultural land and horticultural land</b> <i>Creates the Agricultural Land Valuation Board that would value agricultural and horticultural land based upon the land's capitalized net earning capacity, rather than property taxes.</i>		Revenue	02/23/2018	<b>In Committee</b>  <b>Brewer name added</b> <b>Notice of hearing for February 23, 2018</b> <b>Referred to Revenue Committee</b> <b>Date of introduction</b>
LB1103	(Friesen) Provide a minimum amount of state aid for each school district  <i>Creates foundation aid that is the greater of 25% of the basic funding calculated for a school district or the total amount certified for a local system, proportionally based on the formula students attributed to each district.</i>		Education	02/06/2018	In Committee Friesen Priority Bill  Friesen priority bill Notice of hearing for February 05, 2018 (cancel) Notice of hearing for February 06, 2018 Notice of hearing for February 05, 2018 Referred to Education Committee Date of introduction
LB1106	(Linehan) Change requirements for overriding property tax limits  <i>If a public school ballot question is placed on the ballot at a statewide primary or general election and a majority of the votes cast upon the ballot question are in favor of such tax, the ballot question is approved. If the ballot question is placed on the ballot at a special election and a majority of the votes cast upon the ballot question are in favor of such tax, and if the number of favorable votes for such tax is at least equal to one-half of the number of registered voters voting at the immediately preceding statewide primary election in the political subdivision, plus one, the ballot question is approved.</i>		Revenue	02/14/2018	In Committee  Notice of hearing for February 14, 2018 Referred to Revenue Committee Date of introduction
LB1108	(Harr) Authorize certain tax credits, change the sales tax rate, and provide for school foundation aid and certain grant programs		Revenue	02/01/2018	In Committee Harr Priority Bill  Harr priority bill Notice of hearing for February 01, 2018 Referred to Revenue Committee Date of introduction

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Document	Description	Position	Committee	Hearing Date	Status
LB1110	(Vargas) Require annual reporting of school performance scores and classifications		Education	02/13/2018	In Committee  Notice of hearing for February 13, 2018 Referred to Education Committee Date of introduction
LB1116	(Linehan) Create the Quality Education Accountability Commission and the Quality Education Accountability Office		Education	02/13/2018	In Committee  Notice of hearing for February 13, 2018 Referred to Education Committee Date of introduction
LB1117	(Crawford) Change certain cigarette and tobacco products tax rates <i>Would raise the tax on cigarettes by \$1.50 per pack, and by 51-cents per ounce on snuff.</i>		Revenue	02/15/2018	In Committee  Notice of hearing for February 15, 2018 Referred to Revenue Committee Date of introduction
LB1125	(Groene) Change school finance base limitation and local effort rate provisions <i>Related to school finance, the bill would change the base limitation; the local effort rate; the determination and certification dates relating to distribution of aid and certification of certain budget limitations.</i>		Education	02/26/2018	In Committee  Notice of hearing for February 26, 2018 Referred to Education Committee Date of introduction
LB1128	(Wayne) Prohibit counties, local governments, and certain state entities from spending legislative appropriations under certain conditions		Government, Military and Veterans Affairs	01/31/2018	In Committee  Notice of hearing for January 31, 2018 Referred to Government, Military and Veterans Affairs Committee Date of introduction
LB1135	(Vargas) Adopt the Alternative Certification for Quality Teachers Act		Education	02/05/2018	In Committee  Notice of hearing for February 05, 2018 Referred to Education Committee Date of introduction
LR270CA	(Kolowski) Constitutional amendment to reduce the minimum age in the constitutional requirement to provide free instruction		Education	01/23/2018	In Committee  Notice of hearing for January 23, 2018 Referred to Education Committee Date of introduction
LR285CA	(Murante) Constitutional amendment to eliminate the State Board of Education		Education	02/20/2018	In Committee  Notice of hearing for February 20, 2018 Referred to Education Committee Date of introduction

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FIFTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 829**

Introduced by Erdman, 47.

Read first time January 04, 2018

Committee: Revenue

1 A BILL FOR AN ACT relating to revenue and taxation; to amend sections  
2 77-2715.07, 77-2717, and 77-2734.03, Revised Statutes Cumulative  
3 Supplement, 2016; to adopt the Property Tax Relief Act; to provide  
4 for a refundable tax credit; to adjust income for tax purposes as  
5 prescribed; to harmonize provisions; and to repeal the original  
6 sections.

7 Be it enacted by the people of the State of Nebraska,

1           Section 1. Sections 1 to 4 of this act shall be known and may be  
2 cited as the Property Tax Relief Act.

3           Sec. 2. For purposes of the Property Tax Relief Act:

4           (1) Department means the Department of Revenue; and

5           (2) School district taxes means property taxes levied on property in  
6 this state by a school district or multiple-district school system,  
7 excluding any property taxes levied for bonded indebtedness and any  
8 property taxes levied as a result of an override of limits on property  
9 tax levies approved by voters pursuant to section 77-3444.

10          Sec. 3. For taxable years beginning or deemed to begin on or after  
11 January 1, 2019, under the Internal Revenue Code of 1986, as amended,  
12 there shall be allowed to each taxpayer a refundable credit against the  
13 income tax imposed by the Nebraska Revenue Act of 1967 in the amount of  
14 fifty percent of the school district taxes levied on the taxpayer's  
15 property and paid by the taxpayer during such taxable year.

16          Sec. 4. The department may adopt and promulgate rules and  
17 regulations to carry out the Property Tax Relief Act.

18          Sec. 5. Section 77-2715.07, Revised Statutes Cumulative Supplement,  
19 2016, is amended to read:

20          77-2715.07 (1) There shall be allowed to qualified resident  
21 individuals as a nonrefundable credit against the income tax imposed by  
22 the Nebraska Revenue Act of 1967:

23           (a) A credit equal to the federal credit allowed under section 22 of  
24 the Internal Revenue Code; and

25           (b) A credit for taxes paid to another state as provided in section  
26 77-2730.

27          (2) There shall be allowed to qualified resident individuals against  
28 the income tax imposed by the Nebraska Revenue Act of 1967:

29           (a) For returns filed reporting federal adjusted gross incomes of  
30 greater than twenty-nine thousand dollars, a nonrefundable credit equal  
31 to twenty-five percent of the federal credit allowed under section 21 of

1 the Internal Revenue Code of 1986, as amended, except that for taxable  
2 years beginning or deemed to begin on or after January 1, 2015, such  
3 nonrefundable credit shall be allowed only if the individual would have  
4 received the federal credit allowed under section 21 of the code after  
5 adding back in any carryforward of a net operating loss that was deducted  
6 pursuant to such section in determining eligibility for the federal  
7 credit;

8 (b) For returns filed reporting federal adjusted gross income of  
9 twenty-nine thousand dollars or less, a refundable credit equal to a  
10 percentage of the federal credit allowable under section 21 of the  
11 Internal Revenue Code of 1986, as amended, whether or not the federal  
12 credit was limited by the federal tax liability. The percentage of the  
13 federal credit shall be one hundred percent for incomes not greater than  
14 twenty-two thousand dollars, and the percentage shall be reduced by ten  
15 percent for each one thousand dollars, or fraction thereof, by which the  
16 reported federal adjusted gross income exceeds twenty-two thousand  
17 dollars, except that for taxable years beginning or deemed to begin on or  
18 after January 1, 2015, such refundable credit shall be allowed only if  
19 the individual would have received the federal credit allowed under  
20 section 21 of the code after adding back in any carryforward of a net  
21 operating loss that was deducted pursuant to such section in determining  
22 eligibility for the federal credit;

23 (c) A refundable credit as provided in section 77-5209.01 for  
24 individuals who qualify for an income tax credit as a qualified beginning  
25 farmer or livestock producer under the Beginning Farmer Tax Credit Act  
26 for all taxable years beginning or deemed to begin on or after January 1,  
27 2006, under the Internal Revenue Code of 1986, as amended;

28 (d) A refundable credit for individuals who qualify for an income  
29 tax credit under the Angel Investment Tax Credit Act, the Nebraska  
30 Advantage Microenterprise Tax Credit Act, the Nebraska Advantage Research  
31 and Development Act, ~~or~~ the Volunteer Emergency Responders Incentive Act,

1 or the Property Tax Relief Act; and

2 (e) A refundable credit equal to ten percent of the federal credit  
3 allowed under section 32 of the Internal Revenue Code of 1986, as  
4 amended, except that for taxable years beginning or deemed to begin on or  
5 after January 1, 2015, such refundable credit shall be allowed only if  
6 the individual would have received the federal credit allowed under  
7 section 32 of the code after adding back in any carryforward of a net  
8 operating loss that was deducted pursuant to such section in determining  
9 eligibility for the federal credit.

10 (3) There shall be allowed to all individuals as a nonrefundable  
11 credit against the income tax imposed by the Nebraska Revenue Act of  
12 1967:

13 (a) A credit for personal exemptions allowed under section  
14 77-2716.01;

15 (b) A credit for contributions to certified community betterment  
16 programs as provided in the Community Development Assistance Act. Each  
17 partner, each shareholder of an electing subchapter S corporation, each  
18 beneficiary of an estate or trust, or each member of a limited liability  
19 company shall report his or her share of the credit in the same manner  
20 and proportion as he or she reports the partnership, subchapter S  
21 corporation, estate, trust, or limited liability company income;

22 (c) A credit for investment in a biodiesel facility as provided in  
23 section 77-27,236;

24 (d) A credit as provided in the New Markets Job Growth Investment  
25 Act;

26 (e) A credit as provided in the Nebraska Job Creation and Mainstreet  
27 Revitalization Act;

28 (f) A credit to employers as provided in section 77-27,238; and

29 (g) A credit as provided in the Affordable Housing Tax Credit Act.

30 (4) There shall be allowed as a credit against the income tax  
31 imposed by the Nebraska Revenue Act of 1967:

1 (a) A credit to all resident estates and trusts for taxes paid to  
2 another state as provided in section 77-2730;

3 (b) A credit to all estates and trusts for contributions to  
4 certified community betterment programs as provided in the Community  
5 Development Assistance Act; and

6 (c) A refundable credit for individuals who qualify for an income  
7 tax credit as an owner of agricultural assets under the Beginning Farmer  
8 Tax Credit Act for all taxable years beginning or deemed to begin on or  
9 after January 1, 2009, under the Internal Revenue Code of 1986, as  
10 amended. The credit allowed for each partner, shareholder, member, or  
11 beneficiary of a partnership, corporation, limited liability company, or  
12 estate or trust qualifying for an income tax credit as an owner of  
13 agricultural assets under the Beginning Farmer Tax Credit Act shall be  
14 equal to the partner's, shareholder's, member's, or beneficiary's portion  
15 of the amount of tax credit distributed pursuant to subsection (4) of  
16 section 77-5211.

17 (5)(a) For all taxable years beginning on or after January 1, 2007,  
18 and before January 1, 2009, under the Internal Revenue Code of 1986, as  
19 amended, there shall be allowed to each partner, shareholder, member, or  
20 beneficiary of a partnership, subchapter S corporation, limited liability  
21 company, or estate or trust a nonrefundable credit against the income tax  
22 imposed by the Nebraska Revenue Act of 1967 equal to fifty percent of the  
23 partner's, shareholder's, member's, or beneficiary's portion of the  
24 amount of franchise tax paid to the state under sections 77-3801 to  
25 77-3807 by a financial institution.

26 (b) For all taxable years beginning on or after January 1, 2009,  
27 under the Internal Revenue Code of 1986, as amended, there shall be  
28 allowed to each partner, shareholder, member, or beneficiary of a  
29 partnership, subchapter S corporation, limited liability company, or  
30 estate or trust a nonrefundable credit against the income tax imposed by  
31 the Nebraska Revenue Act of 1967 equal to the partner's, shareholder's,

1 member's, or beneficiary's portion of the amount of franchise tax paid to  
2 the state under sections 77-3801 to 77-3807 by a financial institution.

3 (c) Each partner, shareholder, member, or beneficiary shall report  
4 his or her share of the credit in the same manner and proportion as he or  
5 she reports the partnership, subchapter S corporation, limited liability  
6 company, or estate or trust income. If any partner, shareholder, member,  
7 or beneficiary cannot fully utilize the credit for that year, the credit  
8 may not be carried forward or back.

9 (6) There shall be allowed to all individuals nonrefundable credits  
10 against the income tax imposed by the Nebraska Revenue Act of 1967 as  
11 provided in section 77-3604 and refundable credits against the income tax  
12 imposed by the Nebraska Revenue Act of 1967 as provided in section  
13 77-3605.

14 Sec. 6. Section 77-2717, Revised Statutes Cumulative Supplement,  
15 2016, is amended to read:

16 77-2717 (1)(a)(i) For taxable years beginning or deemed to begin  
17 before January 1, 2014, the tax imposed on all resident estates and  
18 trusts shall be a percentage of the federal taxable income of such  
19 estates and trusts as modified in section 77-2716, plus a percentage of  
20 the federal alternative minimum tax and the federal tax on premature or  
21 lump-sum distributions from qualified retirement plans. The additional  
22 taxes shall be recomputed by (A) substituting Nebraska taxable income for  
23 federal taxable income, (B) calculating what the federal alternative  
24 minimum tax would be on Nebraska taxable income and adjusting such  
25 calculations for any items which are reflected differently in the  
26 determination of federal taxable income, and (C) applying Nebraska rates  
27 to the result. The federal credit for prior year minimum tax, after the  
28 recomputations required by the Nebraska Revenue Act of 1967, and the  
29 credits provided in the Nebraska Advantage Microenterprise Tax Credit Act  
30 and the Nebraska Advantage Research and Development Act shall be allowed  
31 as a reduction in the income tax due. A refundable income tax credit

1 shall be allowed for all resident estates and trusts under the Angel  
2 Investment Tax Credit Act, the Nebraska Advantage Microenterprise Tax  
3 Credit Act, and the Nebraska Advantage Research and Development Act. A  
4 nonrefundable income tax credit shall be allowed for all resident estates  
5 and trusts as provided in the New Markets Job Growth Investment Act.

6 (ii) For taxable years beginning or deemed to begin on or after  
7 January 1, 2014, the tax imposed on all resident estates and trusts shall  
8 be a percentage of the federal taxable income of such estates and trusts  
9 as modified in section 77-2716, plus a percentage of the federal tax on  
10 premature or lump-sum distributions from qualified retirement plans. The  
11 additional taxes shall be recomputed by substituting Nebraska taxable  
12 income for federal taxable income and applying Nebraska rates to the  
13 result. The credits provided in the Nebraska Advantage Microenterprise  
14 Tax Credit Act and the Nebraska Advantage Research and Development Act  
15 shall be allowed as a reduction in the income tax due. A refundable  
16 income tax credit shall be allowed for all resident estates and trusts  
17 under the Angel Investment Tax Credit Act, the Nebraska Advantage  
18 Microenterprise Tax Credit Act, ~~and~~ the Nebraska Advantage Research and  
19 Development Act, and the Property Tax Relief Act. A nonrefundable income  
20 tax credit shall be allowed for all resident estates and trusts as  
21 provided in the Nebraska Job Creation and Mainstreet Revitalization Act,  
22 the New Markets Job Growth Investment Act, the School Readiness Tax  
23 Credit Act, the Affordable Housing Tax Credit Act, and section 77-27,238.

24 (b) The tax imposed on all nonresident estates and trusts shall be  
25 the portion of the tax imposed on resident estates and trusts which is  
26 attributable to the income derived from sources within this state. The  
27 tax which is attributable to income derived from sources within this  
28 state shall be determined by multiplying the liability to this state for  
29 a resident estate or trust with the same total income by a fraction, the  
30 numerator of which is the nonresident estate's or trust's Nebraska income  
31 as determined by sections 77-2724 and 77-2725 and the denominator of

1 which is its total federal income after first adjusting each by the  
2 amounts provided in section 77-2716. The federal credit for prior year  
3 minimum tax, after the recomputations required by the Nebraska Revenue  
4 Act of 1967, reduced by the percentage of the total income which is  
5 attributable to income from sources outside this state, and the credits  
6 provided in the Nebraska Advantage Microenterprise Tax Credit Act and the  
7 Nebraska Advantage Research and Development Act shall be allowed as a  
8 reduction in the income tax due. A refundable income tax credit shall be  
9 allowed for all nonresident estates and trusts under the Angel Investment  
10 Tax Credit Act, the Nebraska Advantage Microenterprise Tax Credit Act,  
11 ~~and the Nebraska Advantage Research and Development Act,~~ and the Property  
12 Tax Relief Act. A nonrefundable income tax credit shall be allowed for  
13 all nonresident estates and trusts as provided in the Nebraska Job  
14 Creation and Mainstreet Revitalization Act, the New Markets Job Growth  
15 Investment Act, the School Readiness Tax Credit Act, the Affordable  
16 Housing Tax Credit Act, and section 77-27,238.

17 (2) In all instances wherein a fiduciary income tax return is  
18 required under the provisions of the Internal Revenue Code, a Nebraska  
19 fiduciary return shall be filed, except that a fiduciary return shall not  
20 be required to be filed regarding a simple trust if all of the trust's  
21 beneficiaries are residents of the State of Nebraska, all of the trust's  
22 income is derived from sources in this state, and the trust has no  
23 federal tax liability. The fiduciary shall be responsible for making the  
24 return for the estate or trust for which he or she acts, whether the  
25 income be taxable to the estate or trust or to the beneficiaries thereof.  
26 The fiduciary shall include in the return a statement of each  
27 beneficiary's distributive share of net income when such income is  
28 taxable to such beneficiaries.

29 (3) The beneficiaries of such estate or trust who are residents of  
30 this state shall include in their income their proportionate share of  
31 such estate's or trust's federal income and shall reduce their Nebraska

1 tax liability by their proportionate share of the credits as provided in  
2 the Angel Investment Tax Credit Act, the Nebraska Advantage  
3 Microenterprise Tax Credit Act, the Nebraska Advantage Research and  
4 Development Act, the Nebraska Job Creation and Mainstreet Revitalization  
5 Act, the New Markets Job Growth Investment Act, the School Readiness Tax  
6 Credit Act, the Affordable Housing Tax Credit Act, the Property Tax  
7 Relief Act, and section 77-27,238. There shall be allowed to a  
8 beneficiary a refundable income tax credit under the Beginning Farmer Tax  
9 Credit Act for all taxable years beginning or deemed to begin on or after  
10 January 1, 2001, under the Internal Revenue Code of 1986, as amended.

11 (4) If any beneficiary of such estate or trust is a nonresident  
12 during any part of the estate's or trust's taxable year, he or she shall  
13 file a Nebraska income tax return which shall include (a) in Nebraska  
14 adjusted gross income that portion of the estate's or trust's Nebraska  
15 income, as determined under sections 77-2724 and 77-2725, allocable to  
16 his or her interest in the estate or trust and (b) a reduction of the  
17 Nebraska tax liability by his or her proportionate share of the credits  
18 as provided in the Angel Investment Tax Credit Act, the Nebraska  
19 Advantage Microenterprise Tax Credit Act, the Nebraska Advantage Research  
20 and Development Act, the Nebraska Job Creation and Mainstreet  
21 Revitalization Act, the New Markets Job Growth Investment Act, the School  
22 Readiness Tax Credit Act, the Affordable Housing Tax Credit Act, the  
23 Property Tax Relief Act, and section 77-27,238 and shall execute and  
24 forward to the fiduciary, on or before the original due date of the  
25 Nebraska fiduciary return, an agreement which states that he or she will  
26 file a Nebraska income tax return and pay income tax on all income  
27 derived from or connected with sources in this state, and such agreement  
28 shall be attached to the Nebraska fiduciary return for such taxable year.

29 (5) In the absence of the nonresident beneficiary's executed  
30 agreement being attached to the Nebraska fiduciary return, the estate or  
31 trust shall remit a portion of such beneficiary's income which was

1 derived from or attributable to Nebraska sources with its Nebraska return  
2 for the taxable year. For taxable years beginning or deemed to begin  
3 before January 1, 2013, the amount of remittance, in such instance, shall  
4 be the highest individual income tax rate determined under section  
5 77-2715.02 multiplied by the nonresident beneficiary's share of the  
6 estate or trust income which was derived from or attributable to sources  
7 within this state. For taxable years beginning or deemed to begin on or  
8 after January 1, 2013, the amount of remittance, in such instance, shall  
9 be the highest individual income tax rate determined under section  
10 77-2715.03 multiplied by the nonresident beneficiary's share of the  
11 estate or trust income which was derived from or attributable to sources  
12 within this state. The amount remitted shall be allowed as a credit  
13 against the Nebraska income tax liability of the beneficiary.

14 (6) The Tax Commissioner may allow a nonresident beneficiary to not  
15 file a Nebraska income tax return if the nonresident beneficiary's only  
16 source of Nebraska income was his or her share of the estate's or trust's  
17 income which was derived from or attributable to sources within this  
18 state, the nonresident did not file an agreement to file a Nebraska  
19 income tax return, and the estate or trust has remitted the amount  
20 required by subsection (5) of this section on behalf of such nonresident  
21 beneficiary. The amount remitted shall be retained in satisfaction of the  
22 Nebraska income tax liability of the nonresident beneficiary.

23 (7) For purposes of this section, unless the context otherwise  
24 requires, simple trust shall mean any trust instrument which (a) requires  
25 that all income shall be distributed currently to the beneficiaries, (b)  
26 does not allow amounts to be paid, permanently set aside, or used in the  
27 tax year for charitable purposes, and (c) does not distribute amounts  
28 allocated in the corpus of the trust. Any trust which does not qualify as  
29 a simple trust shall be deemed a complex trust.

30 (8) For purposes of this section, any beneficiary of an estate or  
31 trust that is a grantor trust of a nonresident shall be disregarded and

1 this section shall apply as though the nonresident grantor was the  
2 beneficiary.

3 Sec. 7. Section 77-2734.03, Revised Statutes Cumulative Supplement,  
4 2016, is amended to read:

5 77-2734.03 (1)(a) For taxable years commencing prior to January 1,  
6 1997, any (i) insurer paying a tax on premiums and assessments pursuant  
7 to section 77-908 or 81-523, (ii) electric cooperative organized under  
8 the Joint Public Power Authority Act, or (iii) credit union shall be  
9 credited, in the computation of the tax due under the Nebraska Revenue  
10 Act of 1967, with the amount paid during the taxable year as taxes on  
11 such premiums and assessments and taxes in lieu of intangible tax.

12 (b) For taxable years commencing on or after January 1, 1997, any  
13 insurer paying a tax on premiums and assessments pursuant to section  
14 77-908 or 81-523, any electric cooperative organized under the Joint  
15 Public Power Authority Act, or any credit union shall be credited, in the  
16 computation of the tax due under the Nebraska Revenue Act of 1967, with  
17 the amount paid during the taxable year as (i) taxes on such premiums and  
18 assessments included as Nebraska premiums and assessments under section  
19 77-2734.05 and (ii) taxes in lieu of intangible tax.

20 (c) For taxable years commencing or deemed to commence prior to, on,  
21 or after January 1, 1998, any insurer paying a tax on premiums and  
22 assessments pursuant to section 77-908 or 81-523 shall be credited, in  
23 the computation of the tax due under the Nebraska Revenue Act of 1967,  
24 with the amount paid during the taxable year as assessments allowed as an  
25 offset against premium and related retaliatory tax liability pursuant to  
26 section 44-4233.

27 (2) There shall be allowed to corporate taxpayers a tax credit for  
28 contributions to community betterment programs as provided in the  
29 Community Development Assistance Act.

30 (3) There shall be allowed to corporate taxpayers a refundable  
31 income tax credit under the Beginning Farmer Tax Credit Act for all

1 taxable years beginning or deemed to begin on or after January 1, 2001,  
2 under the Internal Revenue Code of 1986, as amended.

3 (4) The changes made to this section by Laws 2004, LB 983, apply to  
4 motor fuels purchased during any tax year ending or deemed to end on or  
5 after January 1, 2005, under the Internal Revenue Code of 1986, as  
6 amended.

7 (5) There shall be allowed to corporate taxpayers refundable income  
8 tax credits under the Nebraska Advantage Microenterprise Tax Credit Act,  
9 ~~and the Nebraska Advantage Research and Development Act,~~ and the Property  
10 Tax Relief Act.

11 (6) There shall be allowed to corporate taxpayers a nonrefundable  
12 income tax credit for investment in a biodiesel facility as provided in  
13 section 77-27,236.

14 (7) There shall be allowed to corporate taxpayers a nonrefundable  
15 income tax credit as provided in the Nebraska Job Creation and Mainstreet  
16 Revitalization Act, the New Markets Job Growth Investment Act, the School  
17 Readiness Tax Credit Act, the Affordable Housing Tax Credit Act, and  
18 section 77-27,238.

19 Sec. 8. Original sections 77-2715.07, 77-2717, and 77-2734.03,  
20 Revised Statutes Cumulative Supplement, 2016, are repealed.

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2018-19</b>		<b>FY 2019-20</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$424,014	(\$262,700,000)	\$201,800	(\$636,900,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$424,014</b>	<b>(\$262,700,000)</b>	<b>\$201,800</b>	<b>(\$636,900,000)</b>

**Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.**

LB 829 creates the Property Tax Relief Act and amends the Nebraska Revenue Act of 1967.

The bill provides, for tax years on or after January 1, 2019, a refundable credit against Nebraska income tax in the amount of fifty percent of school district taxes levied on the taxpayer’s property and paid by the taxpayer during such taxable year.

School district taxes are defined as property taxes levied on property in Nebraska by a school district or multiple-district school system, excluding any property taxes levied for bonded indebtedness and any property taxes levied as a result of an override of limits on property tax levies approved by voters pursuant to Section 77-3444.

The bill allows the Department of Revenue to promulgate rules and regulations.

**NOTE:** The Department of Revenue and the Legislative Fiscal Office both note areas of the bill that require clarification. First, by requiring the property taxes to be levied and paid in the same tax year, a number of taxpayers will not be able to claim the credit by paying before the end of the tax year and not before the two delinquency dates (May 1 and September 1, except in Douglas, Lancaster, and Sarpy counties where the dates are April 1 and August 1).

The Department of Revenue has estimated the fiscal impact of LB 829 based on the bill as written, and that impact to the General Fund is as follows:

FY2018-19:	(\$ 262,700,000)
FY2019-20:	(\$ 636,900,000)
FY2020-21:	(\$ 652,400,000)
FY2021-22:	(\$ 668,500,000)
FY2022-23:	(\$ 685,100,000)
FY2023-24:	(\$ 702,400,000)
FY2024-25:	(\$ 720,300,000)

The Department of Revenue also indicates they will require a one-time programming charge of \$211,914 paid to the Office of the CIO for development costs. They will also require 1.0 FTE IT Developer/Senior, 1.0 FTE Revenue Operation Clerk II, 0.5 FTE Revenue Agent Senior, 0.5 FTE Accounting Clerk II, and 0.5 FTE Accountant I to implement. PSL for FY2018-19 would be \$148,200 and \$151,700 for FY2019-20.

We have no basis to disagree with the Department of Revenue estimate of fiscal impact or cost.

The Department of Revenue has also estimated the fiscal impact of the LB 829 if the bill eliminated the requirement that the property taxes be paid in the same year they are levied and, instead, granted the credit for property taxes paid. The fiscal impact to the General Fund would be as follows:

FY2018-19:	(\$ 233,200,000)
FY2019-20:	(\$ 800,400,000)
FY2020-21:	(\$ 1,156,100,000)
FY2021-22:	(\$ 1,202,300,000)
FY2022-23:	(\$ 1,250,300,000)
FY2023-24:	(\$ 1,300,200,000)
FY2024-25:	(\$ 1,352,200,000)

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 829            AM:                            AGENCY/POLT. SUB: Dept. of Revenue

REVIEWED BY: Lyn Heaton            DATE: 1/24/2018            PHONE: [\(402\) 471-4181](tel:4024714181)

COMMENTS: No basis upon which to disagree with the Department of Revenue's analysis.

**State Agency Estimate**

State Agency Name: Department of Revenue		Date Due LFA: 01/23/2018				
Approved by: Tony Fulton		Date Prepared: 01/23/2018				
		Phone: 471-5896				
	FY 2018-2019		FY 2019-2020		FY 2020-2021	
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue
General Funds	\$424,014	(\$262,700,000)	\$201,800	(\$636,900,000)	\$204,600	(\$652,400,000)
Cash Funds						
Federal Funds						
Other Funds						
<b>Total Funds</b>	<b>\$424,014</b>	<b>(\$262,700,000)</b>	<b>\$201,800</b>	<b>(\$636,900,000)</b>	<b>\$204,600</b>	<b>(\$652,400,000)</b>

LB 829 would adopt the Property Tax Relief Act. This Act would provide a refundable income tax credit for taxable years beginning, or deemed to begin, on or after January 1, 2019, equal to 50% of the school district property taxes levied and paid on the taxpayer’s property during the taxable year, excluding taxes levied to service bonded indebtedness or pursuant to an override of the levy limits as allowed by Neb. Rev. Stat. § 77-3444. The Department is authorized to promulgate rules and regulations to carry out the Act.

Sections 5, 6, and 7 amend Neb. Rev. Stat. §§ 77-2715.07, 77-2717, & 77-2734.03 to incorporate the new refundable income tax credit into the credits listed for individuals, fiduciaries, beneficiaries of an estate or trust, and corporations.

LB 829 would require clarification in a number of areas. By excluding bonded indebtedness and levy overrides, those items will need to be separately listed in the property tax statements (currently, they are not). There is disagreement over what constitutes bonded indebtedness since schools borrow money through multiple mechanisms.

By requiring the property taxes to be both levied and paid in the same tax year, many taxpayers will not be able to take advantage of the credit by paying before the end of the tax year and well before the two delinquency dates. The Department has estimated the costs of the bill as drafted but also included the costs of LB 829 assuming this requirement is removed.

LB 829 will require a one-time programming charge of \$211,914 paid to the OCIO for development costs. The Department would need to hire 1.0 FTE IT Applications Developer/Senior to implement this bill. Currently, most partnerships and limited liability companies are not required to file a return, but under LB 829, approximately 12,500 additional partnerships and LLCs will file a return to claim a refund. For partnerships and LLCs, refunds are issued manually, so the Department would also need to hire 1.0 FTE Revenue Operations Clerks II, 0.5 FTE Revenue Agent Senior, 0.5 FTE Accounting Clerk II, and 0.5 FTE Accountant I to implement LB 829.

**Major Objects of Expenditure**

Class Code	Classification Title	18-19	19-20	20-21	18-19	19-20	20-21
		FTE	FTE	FTE	Expenditures	Expenditures	Expenditures
A07012	IT Applications Developer/Senior	1.0	1.0	1.0	\$65,200	\$66,700	\$67,700
S29112	Revenue Operations Clerk II	1.0	1.0	1.0	\$30,800	\$31,500	\$31,900
X29223	Revenue Agent Senior	0.5	0.5	0.5	\$20,300	\$20,800	\$21,100
S19112	Accounting Clerk II	0.5	0.5	0.5	\$14,500	\$14,900	\$15,100
A19211	Accountant I	0.5	0.5	0.5	\$17,400	\$17,800	\$18,000
Benefits.....					\$48,900	\$50,100	\$50,800
Operating Costs.....					\$211,914		
Travel.....							
Capital Outlay.....					\$15,000		
Capital Improvements.....							
<b>Total.....</b>					<b>\$424,014</b>	<b>\$201,800</b>	<b>\$204,600</b>

The Department estimates the reduction to General Fund Revenue as follows:

Fiscal Year	General Fund
FY 2018-19	\$ 262,700,000
FY 2019-20	\$ 636,900,000
FY 2020-21	\$ 652,400,000
FY 2021-22	\$ 668,500,000
FY 2022-23	\$ 685,100,000
FY 2023-24	\$ 702,400,000
FY 2024-25	\$ 720,300,000

If the bill eliminated the requirement that the property taxes paid and levied must occur in the same year, and instead, granted the tax credit for property taxes paid, the Department estimates the reduction to General Fund Revenue as follows:

Fiscal Year	General Fund
FY 2018-19	\$ 233,200,000
FY 2019-20	\$ 800,400,000
FY 2020-21	\$ 1,156,100,000
FY 2021-22	\$ 1,202,300,000
FY 2022-23	\$ 1,250,300,000
FY 2023-24	\$ 1,300,200,000
FY 2024-25	\$ 1,352,200,000

# One Hundred Fifth Legislature - Second Session - 2018

## Introducer's Statement of Intent

### LB829

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**Chairperson: Senator Jim Smith**

**Committee: Revenue**

**Date of Hearing: January 25, 2018**

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 829 is a property tax relief bill. The bill would enable Nebraska property owners to get a credit or refund on their State income tax return equal to 50% of that portion of their property tax bill which goes to fund K-12 education. For most property owners LB 829 will result in a 30% reduction in their property taxes.

The median property tax rate in Nebraska is 1.76% of a property's assessed fair market value. Currently, Nebraska ranks as the 4th highest median property tax rate in the nation. Only New Jersey, New Hampshire and Texas have higher median property tax rates than Nebraska. Nebraskans pay more in property taxes than all of our neighboring states. On average, Nebraska property owners pay \$2,164 in property taxes every year.

Property taxes have escalated in recent years while median household incomes have remained stagnant. Since 2006 median household incomes have remained steady near \$57,000 per year, according to the Department of Numbers. Meanwhile, property taxes have skyrocketed. For instance, according to the Nebraska Department of Property Assessment & Taxation, in 2006 the total amount of property taxes collected in Morrill County, where I live, was \$7,390,027, but by 2016 that number had climbed to \$17,569,558. That's an average increase of more than one million dollars per year in a county with only 5,042 residents, according to the 2010 Census. So, property taxes have been increasing at an alarming rate while household incomes have remained stagnant.

It is the responsibility of the State, not local governments, to provide for instruction. The Nebraska State Constitution says, "The Legislature shall provide for the free instruction in the common schools of this state of all persons between the ages of five and twenty-one years." Therefore, the most appropriate place to enact a credit or refund for the purpose of property tax relief comes from that portion of every property tax bill which funds K-12 instruction.

**Principal Introducer:** \_\_\_\_\_

Senator Steve Erdman