

FIRST DAY - JULY 25, 2024

LEGISLATIVE JOURNAL

**ONE HUNDRED EIGHTH LEGISLATURE
FIRST SPECIAL SESSION**

FIRST DAY

Legislative Chamber, Lincoln, Nebraska
Thursday, July 25, 2024

PRAYER

The prayer was offered by Senator Dorn.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was offered by Senator Hughes.

ROLL CALL

Pursuant to a proclamation by the Honorable Governor of the State of Nebraska, Jim Pillen, the One Hundred Eighth Legislature, First Special Session of the Legislature of Nebraska, assembled in the George W. Norris Legislative Chamber of the State Capitol, at the hour of 10:00 a.m., Thursday, July 25, 2024, and was called to order by President Kelly.

The roll was called and the following members were present:

Aguilar, Raymond	Day, Jen	Linehan, Lou Ann
Albrecht, Joni	DeBoer, Wendy	Lowe, John S. Sr.
Arch, John	DeKay, Barry	McDonnell, Mike
Armendariz, Christy	Dorn, Myron	McKinney, Terrell
Ballard, Beau	Dover, Robert	Moser, Mike
Blood, Carol	Dungan, George III	Raybould, Jane
Bosn, Carolyn	Fredrickson, John	Riepe, Merv
Bostar, Eliot	Halloran, Steve	Sanders, Rita
Brandt, Tom	Hughes, Jana	Slama, Julie
Cavanaugh, John	Hunt, Megan	Vargas, Tony
Cavanaugh, Machaela	Ibach, Teresa	von Gillern, R. Brad
Clements, Robert	Jacobson, Mike	Wishart, Anna
Conrad, Danielle	Kauth, Kathleen	

The following members were excused:

Bostelman, Bruce	Hardin, Brian	Murman, Dave
Brewer, Tom	Holdcroft, Rick	Walz, Lynne
Erdman, Steve	Lippincott, Loren	Wayne, Justin
Hansen, Ben	Meyer, Fred	

DECLARATION

Pursuant to a proclamation issued by the Honorable Jim Pillen, Governor of Nebraska, we are here and now assembled in the One Hundred Eighth Legislature, First Special Session of the Nebraska Legislature. I, as President of the Legislature, declare that we are now open for the transaction of business.

(Signed) Joe Kelly
President of the Legislature

PROCLAMATION

BY VIRTUE OF THE AUTHORITY VESTED in the Governor by Article IV, Section 8, of the Constitution of the State of Nebraska, I, Jim Pillen, as Governor of the State of Nebraska, believing that an extraordinary occasion has arisen, DO HEREBY CALL the Legislature of Nebraska to convene in extraordinary session at the State Capitol on July 25, 2024, at 10:00 AM, for the purpose of considering and enacting legislation relating only to the following subjects:

1. Making the following changes to appropriations approved by the 108th Legislature:
 - a. Reducing general fund appropriations and reappropriations approved by the 108th Legislature;
 - b. Lapsing cash fund balances and reallocate cash fund revenue and interest as approved by the 108th Legislature;
 - c. Modifying fees and assessments to replace general fund appropriations as approved by the 108th Legislature;
 - d. Creating cash and revolving funds and expanding eligible uses of specific funds to support general fund appropriation reductions approved by the 108th Legislature;
 - e. Modifying cash fund, revolving fund, and federal fund appropriations to support general fund reductions approved by the 108th Legislature;
 - f. Transferring funds to the General Fund and Education Future Fund;

- g. Transferring funds between cash funds to support specific general fund reductions approved by the 108th Legislature;
 - h. Transferring funds from the cash reserve fund to cash funds to support specific general fund reductions approved by the 108th Legislature;
 - i. Modifying cash fund appropriations approved by the 108th Legislature to support specific general fund reductions;
2. Modifying the state cigarette tax;
 3. Modifying state taxes on vaping products;
 4. Modifying the state tax on consumable spirit alcohol;
 5. Modifying the state tax on Keno gaming;
 6. Modifying the state tax on game of skill devices as defined in LB685, as approved on April 15, 2024;
 7. Establishing sales or use taxes on services and items that are not currently taxed;
 8. Establishing an excise tax on consumable hemp, as defined in the Agriculture Improvement Act of 2018;
 9. Eliminating state sales tax exemptions;
 10. Eliminating the personal property tax liability on agricultural and machinery equipment;
 11. Reforming credits defined in the Property Tax Credit Act;
 12. Reforming credits defined in the Nebraska Property Tax Incentive Act;
 13. Amending Neb. Rev. Stat. § 77-27,142 to allow for the redistribution of local option sales taxes;
 14. Establishing a property tax relief program, which may include modifying state educational aid or establishing tax credits, to reduce property tax revenue collected for schools and taking steps necessary to ensure any such program which requires a constitutional amendment be printed on the November 2024 ballot, or as soon as possible thereafter;
 15. Establishing revenue caps that limit the authority of City and County governments to collect property tax revenue; and
 16. Appropriating funds to the Legislative Council for the necessary expenses incurred by the Legislature due to the convening of the extraordinary session herein called.

NOW, THEREFORE, I direct members of the Legislature of the State of Nebraska be notified of the convening of this extraordinary session by presenting to each of them a copy of this proclamation;

IN WITNESS WHEREOF, I have hereunto set my hand, and cause the Great Seal of the State of Nebraska to be affixed this 24th day of July, in the year of our Lord Two Thousand Twenty-four.

(Signed) Jim Pillen
Governor

Attest:

(Signed) Robert B. Evnen
Secretary of State

(SEAL)

CERTIFICATE

State of Nebraska

United States of America,)
) ss. Secretary of State
State of Nebraska)

I, Robert B. Evnen, Secretary of State of the State of Nebraska do hereby certify that the attached is a true and correct copy of the Official Roster of members of the Nebraska Unicameral Legislature elected or appointed to serve in the One Hundred Eighth Legislature, First Special Session, 2024.

Further, I hereby certify that the members so listed on the Official Roster attached hereto are the duly elected or appointed members of the Unicameral Legislature in the State of Nebraska for the One Hundred Eighth Legislature, First Special Session, 2024.

Finally, I hereby certify that all election returns, abstracts, canvass and appointment records with reference to said members are on file in the office of the Secretary of State and are a matter of public record.

Nothing further is certified.

In Testimony Whereof, I have hereunto set my hand and affixed the Great Seal of the State of Nebraska on this date of July 25, 2024.

(SEAL) (Signed) Robert B. Evnen
Secretary of State

DISTRICT/NAME	ELECTED
1 Julie Slama	November 3, 2020
2 Robert Clements	November 8, 2022
3 Carol Blood	November 3, 2020
4 R. Brad von Gillern	November 8, 2022
5 Mike McDonnell	November 3, 2020
6 Machaela Cavanaugh	November 8, 2022
7 Tony Vargas	November 3, 2020
8 Megan Hunt	November 8, 2022
9 John Cavanaugh	November 3, 2020

10	Wendy DeBoer	November 8, 2022
11	Terrell McKinney	November 3, 2020
12	Merv Riepe	November 8, 2022
13	Justin T. Wayne	November 3, 2020
14	John Arch	November 8, 2022
15	Lynne M. Walz	November 3, 2020
16	Ben Hansen	November 8, 2022
17	Joni Albrecht	November 3, 2020
18	Christy Armendariz	November 8, 2022
19	Robert Dover*	Appointed July 22, 2022
20	John A. Fredrickson	November 8, 2022
21	Beau Ballard*	Appointed January 4, 2023
22	Mike Moser	November 8, 2022
23	Bruce Bostelman	November 3, 2020
24	Jana Hughes	November 8, 2022
25	Carolyn Bosn*	Appointed April 7, 2023
26	George C. Dungan III	November 8, 2022
27	Anna Wishart	November 3, 2020
28	Jane Raybould	November 8, 2022
29	Eliot Bostar	November 3, 2020
30	Myron Dorn	November 8, 2022
31	Kathleen R. Kauth	November 8, 2022
32	Tom Brandt	November 8, 2022
33	Steve Halloran	November 3, 2020
34	Loren Lippincott	November 8, 2022
35	Raymond M. Aguilar	November 3, 2020
36	Rick Holdcroft	November 8, 2022
37	John S. Lowe Sr.	November 3, 2020
38	Dave Murman	November 8, 2022
39	Lou Ann Linehan	November 3, 2020
40	Barry DeKay	November 8, 2022
41	Fred Meyer*	Appointed November 15, 2023
42	Mike Jacobson	November 8, 2022
43	Tom Brewer	November 3, 2020
44	Teresa J. Ibach	November 8, 2022
45	Rita Sanders	November 3, 2020
46	Danielle Conrad	November 8, 2022
47	Steve Erdman	November 3, 2020
48	Brian Hardin	November 8, 2022
49	Jen Day	November 3, 2020

MESSAGE(S) FROM THE GOVERNOR

May 22, 2024

Mr. President, Speaker Arch
and Members of the Legislature
State Capitol
Lincoln, NE 68509

Dear Mr. President, Speaker Arch, and Members of the Legislature:

Contingent upon your approval, the following individuals are being reappointed as members of the Natural Resources Commission:

John Shadle, 311 Morton Road, Columbus, NE 68601, Public Power District

Rick Kubat, 8222 Castelar Street, Omaha, NE 68124, Metropolitan Utilities District

Bradley Dunbar, 16131 Bedford Avenue, Omaha, NE 68116, Manufacturing
Scott Smathers, 6140 South Richland Cr, Lincoln, NE 68516, Outdoor Recreation User

Stanley A Clouse, 4307 29th Avenue Pl, Kearney, NE 68845, Municipal

The aforementioned appointees are respectfully submitted for your consideration. Copies of the certificate and background information are included for your review.

Sincerely,
(Signed) Jim Pillen
Governor

Enclosures

May 22, 2024

Mr. President, Speaker Arch
and Members of the Legislature
State Capitol
Lincoln, NE 68509

Dear Mr. President, Speaker Arch, and Members of the Legislature:

Contingent upon your approval, the following individual is being appointed as a member of the Natural Resources Commission:

Kennon Meyer, 2520 Cedar Cove Road, Lincoln, NE 68507, Municipal User-Primary Class City

The aforementioned appointee is respectfully submitted for your consideration. Copies of the certificate and background information are included for your review.

Sincerely,
(Signed) Jim Pillen
Governor

Enclosures

BILLS ON FIRST READING

The following bills were read for the first time by title:

LEGISLATIVE BILL 1. Introduced by Linehan, 39; at the request of the Governor.

A BILL FOR AN ACT relating to revenue and taxation; to amend sections 2-2701, 9-648, 13-508, 13-518, 13-2817, 29-3933, 53-160, 72-2305, 72-2306, 77-2701.11, 77-2701.35, 77-2704.10, 77-2704.24, 77-2704.27, 77-2704.50, 77-27,142, 77-27,148, 77-27,235, 77-5209.02, and 79-1002, Reissue Revised Statutes of Nebraska; sections 77-382, 77-693, 77-801, 77-1238, 77-1239, 77-1248, 77-1776, 77-2602, 77-2701.16, 77-2703, 77-27,144, and 81-12,193, Revised Statutes Cumulative Supplement, 2022; sections 77-1632, 77-1633, 77-1701, 77-2734.01, 77-4008, 77-6702, and 77-6703, Revised Statutes Supplement, 2023; section 77-3005, Reissue Revised Statutes of Nebraska, as amended by Laws 2024, LB685, section 11; section 77-202, Revised Statutes Cumulative Supplement, 2022, as amended by Laws 2024, LB874, section 10, and Laws 2024, LB1317, section 73; section 9-1,101, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB685, section 1; section 77-2701, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB937, section 67, Laws 2024, LB1023, section 8, and Laws 2024, LB1317, section 80; section 77-2701.02, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB1317, section 81; section 77-2701.04, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB937, section 68, and Laws 2024, LB1317, section 82; section 77-2716, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB937, section 75, Laws 2024, LB1023, section 10, Laws 2024, LB1317, section 85, and Laws 2024, LB1394, section 1; section 77-27,132, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB1108, section 3; section 77-4025, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB1204, section 36; section 77-4212, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB126, section 11; section 77-4405, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB1317, section 90, and Laws 2024, LB1344, section 14; section 79-1021, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB1284, section 12; Laws 2024, LB685, section 17; and Laws 2024, LB1204, section 17; to adopt the Property Tax Growth Limitation Act, the School District Property Tax Relief Act, and the Advertising Services Tax Act; to change provisions relating to the taxes collected under the Nebraska County and City Lottery Act; to change provisions relating to budgets and budget limitations; to change provisions relating to the taxes collected under the Nebraska Liquor Control Act; to change the Personal Property Tax Relief Act as prescribed; to change provisions relating to property tax statements, the cigarette tax, and sales tax rates; to eliminate certain sales and use tax exemptions and impose sales and use taxes on certain services; to define and redefine terms; to change provisions relating to the imposition of sales and use taxes; to change income tax provisions relating to certain income or loss received from

S-corporations and limited liability companies; to change the distribution of sales and use tax and income tax revenue; to change provisions of the Local Option Revenue Act, the Mechanical Amusement Device Tax Act, the Tobacco Products Tax Act, the Property Tax Credit Act, the Nebraska Property Tax Incentive Act, and the Tax Equity and Educational Opportunities Support Act; to harmonize provisions; to provide an operative date; to provide severability; to repeal the original sections; to outright repeal sections 77-2701.49, 77-2701.50, 77-2701.51, 77-2701.52, 77-2701.53, 77-2704.22, 77-2704.38, 77-2704.39, 77-2704.40, 77-2704.51, 77-2704.53, 77-2704.56, 77-2704.57, 77-2704.60, 77-2704.61, 77-2704.62, 77-2704.63, 77-2704.65, and 77-2704.67, Reissue Revised Statutes of Nebraska; sections 77-2704.20 and 77-2704.69, Revised Statutes Cumulative Supplement, 2022; sections 77-2704.36 and 77-4003.01, Revised Statutes Supplement, 2023; and section 77-2704.66, Reissue Revised Statutes of Nebraska, as amended by Laws 2024, LB1317, section 83; and to declare an emergency.

LEGISLATIVE BILL 2. Introduced by Clements, 2; at the request of the Governor.

A BILL FOR AN ACT relating to appropriations; to amend Laws 2023, LB814, sections 13, 14, 29, 30, 31, 33, 40, 66, 111, 112, 138, 147, 148, 150, 151, 152, 205, 207, 214, 218, 220, 227, 238, 239, 240, 251, 265, 266, 271, 272, 275, and 293; Laws 2024, LB1200A, section 2; Laws 2024, LB1355A, section 7; and Laws 2024, LB1412, sections 57, 58, 59, 61, 69, 74, 75, 83, 86, 87, 89, 107, and 108; to define terms; to provide, change, and eliminate appropriations for operation of state government, postsecondary education, state aid, and capital construction; to repeal the original sections; and to declare an emergency.

LEGISLATIVE BILL 3. Introduced by Clements, 2; at the request of the Governor.

A BILL FOR AN ACT relating to funds; to amend sections 2-1091.02, 2-1807, 2-2634, 2-2635, 2-2638, 2-2656, 2-2705.01, 2-3408, 2-3633, 2-3971, 2-4323, 3-126, 23-2310.04, 23-2319.01, 28-1246, 28-1251, 37-323, 37-327.01, 37-431, 43-3718, 44-116, 54-627, 54-856, 54-1165, 54-1704, 54-1904, 54-2306, 68-1804, 72-1248, 77-4211, 79-968, 81-2,174, 81-5,152, 81-1117, 81-15,174.01, 81-1835, 84-1314, 84-1506.01, and 85-1654, Reissue Revised Statutes of Nebraska; sections 37-811, 61-222, 79-9,115.02, 81-2,147.10, 81-2,162.06, 81-2,162.23, 81-503.01, 81-505.01, 81-5,170, 81-5,199, 81-5,201, 81-5,214, 81-1230, 81-15,151, 84-1321.01, and 89-187, Revised Statutes Cumulative Supplement, 2022; sections 46-1,164, 81-1213.05, 85-1920, and 85-3211, Revised Statutes Supplement, 2023; section 8-1120, Reissue Revised Statutes of Nebraska, as amended by Laws 2024, LB1074, section 48; section 81-550, Reissue Revised Statutes of Nebraska, as amended by Laws 2024, LB1069, section 6; section 81-5,159, Reissue Revised Statutes of Nebraska, as amended by Laws 2024, LB1069, section 7; section 66-1519, Revised Statutes Cumulative

Supplement, 2022, as amended by Laws 2024, LB867, section 7; section 71-5318, Revised Statutes Cumulative Supplement, 2022, as amended by Laws 2024, LB880, section 1; section 80-322.01, Revised Statutes Cumulative Supplement, 2022, as amended by Laws 2024, LB252, section 2; section 81-2,270, Revised Statutes Cumulative Supplement, 2022, as amended by Laws 2024, LB262, section 39; section 37-1804, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB1413, section 34; section 61-218, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB1368, section 9; section 77-4025, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB1204, section 36; section 79-1021, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB1284, section 12; section 81-1239, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB164, section 17; section 84-612, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB600, section 9, and Laws 2024, LB1413, section 58; section 85-3112, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB1284, section 20; section 86-324, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB1413, section 59; Laws 2024, LB164, section 10; Laws 2024, LB600, section 7; and Laws 2024, LB1284, section 16; to provide for, change, and eliminate fund transfers; to create a fund; to provide, change, and eliminate fees; to provide powers and duties; to change the use of certain funds and the investment earnings of certain funds; to eliminate obsolete provisions; to harmonize provisions; to repeal the original sections; and to declare an emergency.

LEGISLATIVE BILL 4. Introduced by Speaker Arch, 14; at the request of the Governor.

A BILL FOR AN ACT relating to appropriations; to appropriate funds for the expenses incurred during the One Hundred Eighth Legislature, First Special Session, 2024; and to declare an emergency.

LEGISLATIVE BILL 5. Introduced by Blood, 3.

A BILL FOR AN ACT relating to the Constitution of Nebraska; to amend section 49-202.01, Reissue Revised Statutes of Nebraska; to change requirements relating to proposals for constitutional amendments submitted by the Legislature; to repeal the original section; and to declare an emergency.

LEGISLATIVE BILL 6. Introduced by Blood, 3.

A BILL FOR AN ACT relating to gaming; to amend sections 28-1101, 28-1105, and 28-1113, Revised Statutes Cumulative Supplement, 2022; to adopt the Fantasy Contests Act; to redefine terms; to provide a gambling exception for conducting or participating in fantasy contests; to change a provision relating to the possession of gambling records; to harmonize provisions; and to repeal the original sections.

LEGISLATIVE BILL 7. Introduced by Blood, 3.

A BILL FOR AN ACT relating to revenue and taxation; to amend section 77-2715.03, Revised Statutes Supplement, 2023; section 77-2716, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB937, section 75, Laws 2024, LB1023, section 10, Laws 2024, LB1317, section 85, and Laws 2024, LB1394, section 1; and Laws 2024, LB1023, sections 3 and 5; to change provisions relating to individual income tax rates; to harmonize provisions; to repeal the original sections; and to declare an emergency.

LEGISLATIVE BILL 8. Introduced by Blood, 3.

A BILL FOR AN ACT relating to revenue and taxation; to amend section 77-2701, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB937, section 67, Laws 2024, LB1023, section 8, and Laws 2024, LB1317, section 80; and section 77-2701.04, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB937, section 68, and Laws 2024, LB1317, section 82; to provide for a luxury tax; to harmonize provisions; to provide an operative date; and to repeal the original sections.

LEGISLATIVE BILL 9. Introduced by Hughes, 24; Brandt, 32; Conrad, 46; Dorn, 30.

A BILL FOR AN ACT relating to school funding; to amend sections 79-1005.01, 79-1007.11, 79-1007.18, 79-1016, and 81-12,193, Revised Statutes Cumulative Supplement, 2022; sections 77-3442, 77-6703, 79-1001, 79-3402, and 79-3406, Revised Statutes Supplement, 2023; and section 79-1021, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB1284, section 12; to change provisions relating to property tax levies for school districts and the Nebraska Property Tax Incentive Act; to add, change, and eliminate certain calculations under the Tax Equity and Educational Opportunities Support Act; to state intent regarding transfers into the Education Future Fund; to authorize school districts to levy taxes under certain circumstances; to change provisions relating to the School District Property Tax Limitation Act and the Nebraska Transformational Project Fund; to harmonize provisions; and to repeal the original sections.

LEGISLATIVE BILL 10. Introduced by Raybould, 28; Blood, 3; Brandt, 32.

A BILL FOR AN ACT relating to revenue and taxation: to amend sections 77-2715.03 and 77-2734.02, Revised Statutes Supplement, 2023; to change provisions relating to individual and corporate income tax rates; and to repeal the original sections.

LEGISLATIVE BILL 11. Introduced by Cavanaugh, M., 6.

A BILL FOR AN ACT relating to revenue and taxation; to amend section 77-2602, Revised Statutes Cumulative Supplement, 2022; to increase the

cigarette tax and distribute tax proceeds as prescribed; to create a fund; to harmonize provisions; to repeal the original section; and to declare an emergency.

LEGISLATIVE BILL 12. Introduced by Day, 49; Cavanaugh, J., 9; Cavanaugh, M., 6; Conrad, 46; Hughes, 24; Hunt, 8; Raybould, 28.

A BILL FOR AN ACT relating to revenue and taxation; to amend section 81-12,193, Revised Statutes Cumulative Supplement, 2022, and sections 77-6702 and 77-6703, Revised Statutes Supplement, 2023; to adopt the School District Property Tax Relief Act; to change provisions relating to the Nebraska Property Tax Incentive Act; to harmonize provisions; to repeal the original sections; and to declare an emergency.

LEGISLATIVE BILL 13. Introduced by Bostar, 29.

A BILL FOR AN ACT relating to gambling and the Constitution of Nebraska; to amend sections 9-1204 and 49-202.01, Reissue Revised Statutes of Nebraska; section 9-1103, Revised Statutes Supplement, 2023; and section 9-1110, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB1317, section 49; to define and redefine terms; to authorize an authorized gaming operator to conduct sports wagering by means of an online sports wagering platform under the Nebraska Racetrack Gaming Act as prescribed; to change provisions for the distribution of taxes collected from sports wagering; to change requirements relating to proposals for constitutional amendments submitted by the Legislature; to provide operative dates; to provide severability; to repeal the original sections; and to declare an emergency.

LEGISLATIVE BILL 14. Introduced by Bostar, 29.

A BILL FOR AN ACT relating to revenue and taxation; to amend section 77-2715.07, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB937, section 74, Laws 2024, LB1023, section 9, Laws 2024, LB1344, section 9, and Laws 2024, LB1402, section 2; to provide an income tax credit for renters as prescribed; and to repeal the original section.

LEGISLATIVE BILL 15. Introduced by Erdman, 47.

A BILL FOR AN ACT relating to the Constitution of Nebraska; to amend section 49-202.01, Reissue Revised Statutes of Nebraska; to change a requirement relating to proposals for constitutional amendments submitted by the Legislature; to repeal the original section; and to declare an emergency.

LEGISLATIVE BILL 16. Introduced by Erdman, 47.

A BILL FOR AN ACT relating to revenue and taxation; to amend sections 13-319, 13-501, 13-2813, 60-3,185, 60-3,190, 77-27,148, and 77-3507,

Reissue Revised Statutes of Nebraska, sections 77-201, 77-2004, 77-2005, 77-2006, 77-3508, 77-6406, and 77-6827, Revised Statutes Cumulative Supplement, 2022, sections 18-2147, 77-3506, 79-1001, and 85-2231, Revised Statutes Supplement, 2023, and section 77-2701, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB937, section 67, Laws 2024, LB1023, section 8, and Laws 2024, LB1317, section 80; to adopt the Nebraska EPIC Option Consumption Tax Act; to terminate the Nebraska Budget Act, tax-increment financing, the motor vehicle tax, the motor vehicle fee, the property tax, the inheritance tax, sales and use taxes, the income tax, the homestead exemption, the Tax Equity and Educational Opportunities Support Act, and the Community College Aid Act as prescribed; to change an application deadline under the ImagiNE Nebraska Act; and to repeal the original sections.

LEGISLATIVE BILL 17. Introduced by Cavanaugh, J., 9; Blood, 3; Cavanaugh, M., 6; Dungan, 26; Hunt, 8; McKinney, 11.

A BILL FOR AN ACT relating to the Perkins County Canal Project; to amend section 61-305, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB164, section 14; and Laws 2024, LB164, section 13; to change provisions relating to the credit and transfer of Perkins County Canal Project Fund investment earnings and to terminate the fund; to transfer unobligated money in the Perkins County Canal Project Fund to the Property Tax Credit Cash Fund; to repeal the Perkins County Canal Project Act; to harmonize provisions; to repeal the original sections; and to outright repeal sections 61-301, 61-302, 61-303, and 61-304, Revised Statutes Cumulative Supplement, 2022.

LEGISLATIVE BILL 18. Introduced by Cavanaugh, J., 9; Blood, 3; Brandt, 32; Cavanaugh, M., 6; Conrad, 46; Dungan, 26; Hunt, 8; McKinney, 11.

A BILL FOR AN ACT relating to the Constitution of Nebraska; to amend section 49-202.01, Reissue Revised Statutes of Nebraska; to change requirements relating to proposals for constitutional amendments submitted by the Legislature; to repeal the original section; and to declare an emergency.

LEGISLATIVE BILL 19. Introduced by Hughes, 24.

A BILL FOR AN ACT relating to revenue and taxation; to amend section 77-2701, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB937, section 67, Laws 2024, LB1023, section 8, and Laws 2024, LB1317, section 80; and section 77-2701.04, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB937, section 68, and Laws 2024, LB1317, section 82; to define a term; to provide for an excise tax; to harmonize provisions; to provide an operative date; and to repeal the original sections.

LEGISLATIVE BILL 20. Introduced by McKinney, 11; Cavanaugh, M., 6; Dungan, 26.

A BILL FOR AN ACT relating to revenue and taxation; to amend section 77-2715.07, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB937, section 74, Laws 2024, LB1023, section 9, Laws 2024, LB1344, section 9, and Laws 2024, LB1402, section 2; and section 77-4212, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB126, section 11; to provide an income tax credit for renters as prescribed; to change provisions relating to a property tax credit; and to repeal the original sections.

RESOLUTION(S)

LEGISLATIVE RESOLUTION 1CA. Introduced by Blood, 3.

THE MEMBERS OF THE ONE HUNDRED EIGHTH LEGISLATURE OF NEBRASKA, FIRST SPECIAL SESSION, RESOLVE THAT:

Section 1. At the general election in November 2024, the following proposed amendment to the Constitution of Nebraska shall be submitted to the electors of the State of Nebraska for approval or rejection:

To amend Article III, section 22:

III-22 (1) Each Legislature shall make appropriations for the expenses of the Government. And whenever it is deemed necessary to make further appropriations for deficiencies, the same shall require a two-thirds vote of all the members elected to the Legislature.

(2) Bills making appropriations for the pay of members and officers of the Legislature, and for the salaries of the officers of the Government, shall contain no provision on any other subject.

(3) The Legislature shall not impose responsibility for a program created after the year 2024 or an increased level of service required under an existing program after the year 2024 on any political subdivision of the state unless the subdivision is fully reimbursed by the state for the cost of such program or increase in level of service. Reimbursement by the state shall be in the form of a specific appropriation or an increase in state distribution of revenue to such political subdivision.

Sec. 2. The proposed amendment shall be submitted to the electors in the manner prescribed by the Constitution of Nebraska, Article XVI, section 1, with the following ballot language:

A constitutional amendment to require the state to reimburse political subdivisions for responsibilities imposed or increased levels of service required after the year 2024.

For

Against.

LEGISLATIVE RESOLUTION 2CA. Introduced by Brandt, 32.

THE MEMBERS OF THE ONE HUNDRED EIGHTH LEGISLATURE OF NEBRASKA, FIRST SPECIAL SESSION, RESOLVE THAT:

Section 1. At the general election in November 2024, the following proposed amendment to the Constitution of Nebraska shall be submitted to the electors of the State of Nebraska for approval or rejection:

To amend Article VIII, section 1:

VIII-1 The necessary revenue of the state and its governmental subdivisions shall be raised by taxation in such manner as the Legislature may direct. Notwithstanding Article I, section 16, Article III, section 18, or Article VIII, section 4, of this Constitution or any other provision of this Constitution to the contrary: (1) Taxes shall be levied by valuation uniformly and proportionately upon all real property and franchises as defined by the Legislature except as otherwise provided in or permitted by this Constitution; (2) tangible personal property, as defined by the Legislature, not exempted by this Constitution or by legislation, shall all be taxed at depreciated cost using the same depreciation method with reasonable class lives, as determined by the Legislature, or shall all be taxed by valuation uniformly and proportionately; (3) the Legislature may provide for a different method of taxing motor vehicles and may also establish a separate class of motor vehicles consisting of those owned and held for resale by motor vehicle dealers which shall be taxed in the manner and to the extent provided by the Legislature and may also establish a separate class for trucks, trailers, semitrailers, truck-tractors, or combinations thereof, consisting of those owned by residents and nonresidents of this state, and operating in interstate commerce, and may provide reciprocal and proportionate taxation of such vehicles. The tax proceeds from motor vehicles taxed in each county shall be allocated to the county and the cities, villages, and school districts of such county; (4) the Legislature may provide that agricultural land and horticultural land, as defined by the Legislature, shall constitute a separate and distinct class of property for purposes of taxation and may provide for a different method of taxing agricultural land and horticultural land which results in values that are not uniform and proportionate with all other real property and franchises but which results in values that are uniform and proportionate upon all property within the class of agricultural land and horticultural land; (5) the Legislature may enact laws to provide that the value of land actively devoted to agricultural or horticultural use shall for property tax purposes be that value which such land has for agricultural or horticultural use without regard to any value which such land might have for other purposes or uses; (6) the Legislature may prescribe standards and methods for the determination of the value of real property at uniform and proportionate values; (7) in furtherance of the purposes for which such a law of the United States has been adopted, whenever there exists a law of the United States which is intended to protect a specifically designated type, use, user, or owner of property or franchise from discriminatory state or local taxation, such property or franchise shall constitute a separate class of property or franchise under the laws of the State of Nebraska, and such property or franchise may not be taken into consideration in determining whether taxes are levied by valuation uniformly or proportionately upon any property or franchise, and the Legislature may enact laws which statutorily recognize such class and which tax or exempt from taxation such class of property or franchise in

such manner as it determines; ~~and~~ (8) the Legislature may provide that livestock shall constitute a separate and distinct class of property for purposes of taxation and may further provide for reciprocal and proportionate taxation of livestock located in this state for only part of a year; and (9) the Legislature may provide that owner-occupied housing, as defined by the Legislature, shall constitute a separate and distinct class of property for purposes of taxation and may provide for a different method of taxing owner-occupied housing which results in values that are not uniform and proportionate with all other real property and franchises but which results in values that are uniform and proportionate upon all property within the class of owner-occupied housing. Each actual property tax rate levied for a governmental subdivision shall be the same for all classes of taxed property and franchises. Taxes uniform as to class of property or the ownership or use thereof may be levied by valuation or otherwise upon classes of intangible property as the Legislature may determine, and such intangible property held in trust or otherwise for the purpose of funding pension, profit-sharing, or other employee benefit plans as defined by the Legislature may be declared exempt from taxation. Taxes other than property taxes may be authorized by law. Existing revenue laws shall continue in effect until changed by the Legislature.

Sec. 2. The proposed amendment shall be submitted to the electors in the manner prescribed by the Constitution of Nebraska, Article XVI, section 1, with the following ballot language:

A constitutional amendment to authorize the Legislature to provide a different method of taxing owner-occupied housing.

For

Against.

LEGISLATIVE RESOLUTION 3CA. Introduced by Bostar, 29.

THE MEMBERS OF THE ONE HUNDRED EIGHTH LEGISLATURE OF NEBRASKA, FIRST SPECIAL SESSION, RESOLVE THAT:

Section 1. At the general election in November 2024, the following proposed amendment to the Constitution of Nebraska shall be submitted to the electors of the State of Nebraska for approval or rejection:

To amend Article III, section 24:

III-24 (1) Except as provided in this section, the Legislature shall not authorize any game of chance or any lottery or gift enterprise when the consideration for a chance to participate involves the payment of money for the purchase of property, services, or a chance or admission ticket or requires an expenditure of substantial effort or time.

(2) The Legislature may authorize and regulate a state lottery pursuant to subsection (3) of this section and other lotteries, raffles, and gift enterprises which are intended solely as business promotions or the proceeds of which are to be used solely for charitable or community betterment purposes without profit to the promoter of such lotteries, raffles, or gift enterprises.

(3)(a) The Legislature may establish a lottery to be operated and regulated by the State of Nebraska. The proceeds of the lottery shall be appropriated

by the Legislature for the costs of establishing and maintaining the lottery and for the following purposes, as directed by the Legislature:

(i) The first five hundred thousand dollars after the payment of prizes and operating expenses shall be transferred to the Compulsive Gamblers Assistance Fund;

(ii) Forty-four and one-half percent of the money remaining after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund shall be transferred to the Nebraska Environmental Trust Fund to be used as provided in the Nebraska Environmental Trust Act;

(iii) Forty-four and one-half percent of the money remaining after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund shall be used for education as the Legislature may direct;

(iv) Ten percent of the money remaining after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund shall be transferred to the Nebraska State Fair Board if the most populous city within the county in which the fair is located provides matching funds equivalent to ten percent of the funds available for transfer. Such matching funds may be obtained from the city and any other private or public entity, except that no portion of such matching funds shall be provided by the state. If the Nebraska State Fair ceases operations, ten percent of the money remaining after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund shall be transferred to the General Fund; and

(v) One percent of the money remaining after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund shall be transferred to the Compulsive Gamblers Assistance Fund.

(b) No lottery game shall be conducted as part of the lottery unless the type of game has been approved by a majority of the members of the Legislature.

(4) Nothing in this section shall be construed to prohibit (a) the enactment of laws providing for the licensing and regulation of wagering on the results of horseraces, wherever run, either within or outside of the state, by the parimutuel method, when such wagering is conducted by licensees within a licensed racetrack enclosure or (b) the enactment of laws providing for the licensing and regulation of bingo games conducted by nonprofit associations which have been in existence for a period of five years immediately preceding the application for license, except that bingo games cannot be conducted by agents or lessees of such associations on a percentage basis.

(5) This section shall not apply to any law which is enacted contemporaneously with the adoption of this subsection or at any time thereafter and which provides for the licensing, authorization, regulation, or taxation of all forms of games of chance when such games of chance are conducted by authorized gaming operators within a licensed racetrack enclosure. Any authorized gaming operator conducting sports wagering within a licensed racetrack enclosure may allow a sports wager to be placed by means of a mobile or electronic platform that is offered by or in

partnership with such authorized gaming operator as long as the individual placing the sports wager is located inside the State of Nebraska at the time the sports wager is placed.

Sec. 2. The proposed amendment shall be submitted to the electors in the manner prescribed by the Constitution of Nebraska, Article XVI, section 1, with the following ballot language:

A constitutional amendment to permit an authorized gaming operator conducting sports wagering within a licensed racetrack enclosure to allow a sports wager to be placed by an individual located within the State of Nebraska at the time the individual places the sports wager by means of a mobile or electronic platform.

For

Against.

LEGISLATIVE RESOLUTION 4CA. Introduced by Erdman, 47.

THE MEMBERS OF THE ONE HUNDRED EIGHTH LEGISLATURE OF NEBRASKA, FIRST SPECIAL SESSION, RESOLVE THAT:

Section 1. At the general election in November 2024, the following proposed amendment to the Constitution of Nebraska shall be submitted to the electors of the State of Nebraska for approval or rejection:

To add a new section 15 to Article VIII:

VIII-15 Beginning January 1, 2026, the State of Nebraska shall impose a retail consumption tax or an excise tax on all new goods and services, and the Legislature may authorize political subdivisions to do the same. There shall be no exemption from such taxes except for grocery items purchased for off-premises consumption.

Sec. 2. The proposed amendment shall be submitted to the electors in the manner prescribed by the Constitution of Nebraska, Article XVI, section 1, with the following ballot language:

A constitutional amendment to provide that the State of Nebraska shall impose a retail consumption tax or an excise tax on all new goods and services, that the Legislature may authorize political subdivisions to do the same, and that there shall be no exemption from such taxes except for grocery items purchased for off-premises consumption.

For

Against.

LEGISLATIVE RESOLUTION 5CA. Introduced by Erdman, 47.

THE MEMBERS OF THE ONE HUNDRED EIGHTH LEGISLATURE OF NEBRASKA, FIRST SPECIAL SESSION, RESOLVE THAT:

Section 1. At the general election in November 2024, the following proposed amendment to the Constitution of Nebraska shall be submitted to the electors of the State of Nebraska for approval or rejection:

To add a new section 14 to Article VIII:

VIII-14 Notwithstanding any other provision of this Constitution, beginning January 1, 2026, no governmental entity in the State of Nebraska may impose taxes other than retail consumption taxes or excise taxes.

Sec. 2. The proposed amendment shall be submitted to the electors in the manner prescribed by the Constitution of Nebraska, Article XVI, section 1, with the following ballot language:

A constitutional amendment to provide that, beginning January 1, 2026, no governmental entity in the State of Nebraska may impose taxes other than retail consumption taxes or excise taxes.

For

Against.

MOTION(S) - Print in Journal

Senator Conrad filed the following motion to LB1:

MO1

Indefinitely postpone pursuant to Rule 6, Sec. 3(f).

Senator Conrad filed the following motion to LB1:

MO2

Bracket until January 7, 2025.

Senator Linehan filed the following motion to LB1:

MO3

Indefinitely postpone pursuant to Rule 6, Sec. 3(f).

Senator Linehan filed the following motion to LB1:

MO4

Bracket until August 16, 2024.

Senator Linehan filed the following motion to LB1:

MO5

Indefinitely postpone pursuant to Rule 6, Sec. 3(f).

Senator Linehan filed the following motion to LB1:

MO6

Bracket until August 16, 2024.

Senator Conrad filed the following motion to LB1:

MO8

Bracket until January 7, 2025.

Senator Conrad filed the following motion to LB1:

MO9

Indefinitely postpone.

Senator Conrad filed the following motion to LB2:

MO10

Indefinitely postpone pursuant to Rule 6, Sec. 3(f).

Senator Conrad filed the following motion to LB2:

[MO11](#)

Bracket until January 7, 2025.

Senator Conrad filed the following motion to LB2:

[MO12](#)

Bracket until January 7, 2025.

Senator Conrad filed the following motion to LB2:

[MO13](#)

Indefinitely postpone.

Senator Conrad filed the following motion to LB3:

[MO14](#)

Indefinitely postpone pursuant to Rule 6, Sec. 3(f).

Senator Conrad filed the following motion to LB3:

[MO16](#)

Bracket until January 7, 2025.

Senator Conrad filed the following motion to LB3:

[MO17](#)

Indefinitely postpone.

AMENDMENT(S) - Print in Journal

Senator Clements filed the following amendment to LB1:

[FA2](#)

Strike Section 1.

Senator Clements filed the following amendment to LB1:

[FA3](#)

Strike Section 2.

Senator Linehan filed the following amendment to LB1:

[FA4](#)

Strike the enacting clause.

Senator Clements filed the following amendment to LB1:

[FA5](#)

Strike Section 1.

Senator Clements filed the following amendment to LB1:

[FA6](#)

Strike Section 2.

Senator Clements filed the following amendment to LB2:

[FA7](#)

Strike Section 1.

Senator Clements filed the following amendment to LB2:

[FA8](#)

Strike Section 2.

Senator Clements filed the following amendment to LB2:

[FA9](#)

Strike Section 1.

Senator Clements filed the following amendment to LB2:

[FA10](#)

Strike Section 2.

Senator Clements filed the following amendment to LB3:

[FA11](#)

Strike Section 1.

Senator Clements filed the following amendment to LB3:

[FA12](#)

Strike Section 2.

Senator Clements filed the following amendment to LB3:

[FA13](#)

Strike Section 1.

Senator Clements filed the following amendment to LB3:

[FA14](#)

Strike Section 2.

ADJOURNMENT

At 11:04 a.m., on a motion by Senator Lowe, the Legislature adjourned until 10:00 a.m., Friday, July 26, 2024.

Brandon Metzler
Clerk of the Legislature

SECOND DAY - JULY 26, 2024

LEGISLATIVE JOURNAL

**ONE HUNDRED EIGHTH LEGISLATURE
FIRST SPECIAL SESSION**

SECOND DAY

Legislative Chamber, Lincoln, Nebraska
Friday, July 26, 2024

PRAYER

The prayer was offered by Senator Aguilar.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was offered by Senator Lowe.

ROLL CALL

Pursuant to adjournment, the Legislature met at 10:00 a.m., President Kelly presiding.

The roll was called and all members were present except Senators Bostelman and Erdman who were excused; and Senators Dorn, Dover, Hardin, Lippincott, Meyer, Raybould, Sanders, Walz, and Wishart who were excused until they arrive.

CORRECTIONS FOR THE JOURNAL

The Journal for the first day was approved.

MESSAGE(S) FROM THE GOVERNOR

June 3, 2024

Mr. President, Speaker Arch
and Members of the Legislature
State Capitol
Lincoln, NE 68509

Dear Mr. President, Speaker Arch, and Members of the Legislature:

Contingent upon your approval, the following individuals are being appointed as members of the Nebraska Information Technology Commission:

Phillip Doerr, 54349 875 Road, Wausa, NE 68786, General Public
Nathan Watson, 2806 Leigh Lane, Papillion, NE 68133, General Public

The aforementioned appointees are respectfully submitted for your consideration. Copies of the certificate and background information are included for your review.

Sincerely,
(Signed) Jim Pillen
Governor

Enclosures

July 16, 2024

Mr. President, Speaker Arch
and Members of the Legislature
State Capitol
Lincoln, NE 68509

Dear Mr. President, Speaker Arch, and Members of the Legislature:

Contingent upon your approval, the following individual is being reappointed as a member of the Commission of Industrial Relations:

Joel Carlson, 507 Logan Street, Norfolk, NE 68701, Attorney

The aforementioned appointee is respectfully submitted for your consideration. Copies of the certificate and background information are included for your review.

Sincerely,
(Signed) Jim Pillen
Governor

Enclosures

July 16, 2024

Mr. President, Speaker Arch
and Members of the Legislature
State Capitol
Lincoln, NE 68509

Dear Mr. President, Speaker Arch, and Members of the Legislature:

Contingent upon your approval, the following individual is being appointed as a member of the Nebraska Game and Parks Commission:

Kent J McNeill, 12410 Pheasant Run Lane, Papillion, NE 68046, District 1-
Independent

The aforementioned appointee is respectfully submitted for your consideration. Copies of the certificate and background information are included for your review.

Sincerely,
(Signed) Jim Pillen
Governor

Enclosures

AMENDMENT(S) - Print in Journal

Senator M. Cavanaugh filed the following amendment to LB1:

[FA15](#)

Strike Section 1.

Senator M. Cavanaugh filed the following amendment to LB1:

[FA16](#)

Strike Section 2.

Senator M. Cavanaugh filed the following amendment to LB1:

[FA17](#)

Strike Section 3.

Senator M. Cavanaugh filed the following amendment to LB1:

[FA18](#)

Strike Section 4.

Senator M. Cavanaugh filed the following amendment to LB1:

[FA19](#)

Strike Section 1.

Senator M. Cavanaugh filed the following amendment to LB1:

[FA20](#)

Strike Section 2.

Senator M. Cavanaugh filed the following amendment to LB1:

[FA21](#)

Strike Section 3.

Senator M. Cavanaugh filed the following amendment to LB1:

[FA22](#)

Strike Section 4.

Senator M. Cavanaugh filed the following amendment to LB1:

[FA23](#)

Strike the enacting clause.

Senator M. Cavanaugh filed the following amendment to LB1:

[FA46](#)

Strike Section 1.

Senator M. Cavanaugh filed the following amendment to LB1:
[FA47](#)
Strike Section 2.

Senator M. Cavanaugh filed the following amendment to LB2:
[FA24](#)
Strike Section 1.

Senator M. Cavanaugh filed the following amendment to LB2:
[FA25](#)
Strike Section 2.

Senator M. Cavanaugh filed the following amendment to LB2:
[FA26](#)
Strike Section 3.

Senator M. Cavanaugh filed the following amendment to LB2:
[FA27](#)
Strike Section 4.

Senator M. Cavanaugh filed the following amendment to LB2:
[FA28](#)
Strike Section 1.

Senator M. Cavanaugh filed the following amendment to LB2:
[FA29](#)
Strike Section 2.

Senator M. Cavanaugh filed the following amendment to LB2:
[FA30](#)
Strike Section 3.

Senator M. Cavanaugh filed the following amendment to LB2:
[FA31](#)
Strike Section 4.

Senator M. Cavanaugh filed the following amendment to LB2:
[FA32](#)
Strike the enacting clause.

Senator M. Cavanaugh filed the following amendment to LB2:
[FA42](#)
Strike Section 1.

Senator M. Cavanaugh filed the following amendment to LB2:
[FA43](#)
Strike Section 2.

Senator M. Cavanaugh filed the following amendment to LB3:

[FA33](#)

Strike Section 1.

Senator M. Cavanaugh filed the following amendment to LB3:

[FA34](#)

Strike Section 2.

Senator M. Cavanaugh filed the following amendment to LB3:

[FA35](#)

Strike Section 3.

Senator M. Cavanaugh filed the following amendment to LB3:

[FA36](#)

Strike Section 4.

Senator M. Cavanaugh filed the following amendment to LB3:

[FA37](#)

Strike Section 1.

Senator M. Cavanaugh filed the following amendment to LB3:

[FA38](#)

Strike Section 2.

Senator M. Cavanaugh filed the following amendment to LB3:

[FA39](#)

Strike Section 3.

Senator M. Cavanaugh filed the following amendment to LB3:

[FA40](#)

Strike Section 4.

Senator M. Cavanaugh filed the following amendment to LB3:

[FA41](#)

Strike the enacting clause.

Senator M. Cavanaugh filed the following amendment to LB3:

[FA44](#)

Strike Section 1.

Senator M. Cavanaugh filed the following amendment to LB3:

[FA45](#)

Strike Section 2.

MOTION(S) - Print in Journal

Senator M. Cavanaugh filed the following motion to LB1:

[MO18](#)

Bracket until January 7, 2025.

Senator M. Cavanaugh filed the following motion to LB1:
[MO19](#)
Indefinitely postpone.

Senator M. Cavanaugh filed the following motion to LB2:
[MO20](#)
Bracket until January 7, 2025.

Senator M. Cavanaugh filed the following motion to LB2:
[MO21](#)
Indefinitely postpone.

Senator M. Cavanaugh filed the following motion to LB3:
[MO22](#)
Bracket until January 7, 2025.

Senator M. Cavanaugh filed the following motion to LB3:
[MO23](#)
Indefinitely postpone.

BILLS ON FIRST READING

The following bills were read for the first time by title:

LEGISLATIVE BILL 21. Introduced by Kauth, 31.

A BILL FOR AN ACT relating to the Constitution of Nebraska; to amend section 49-202.01, Reissue Revised Statutes of Nebraska; to change requirements relating to proposals for constitutional amendments submitted by the Legislature; to repeal the original section; and to declare an emergency.

LEGISLATIVE BILL 22. Introduced by Cavanaugh, J., 9.

A BILL FOR AN ACT relating to revenue and taxation; to amend sections 77-3509.01, 77-3509.03, 77-3510, 77-3514, and 77-3516, Reissue Revised Statutes of Nebraska; sections 77-3512 and 77-3513, Revised Statutes Supplement, 2023; sections 77-3501, 77-3506.03, 77-3511, 77-3521, and 77-3529, Reissue Revised Statutes of Nebraska, as amended by Laws 2024, LB126, sections 2, 4, 5, 7, and 10, respectively; sections 77-3517 and 77-3523, Revised Statutes Cumulative Supplement, 2022, as amended by Laws 2024, LB126, sections 6 and 9; and sections 77-3522 and 77-4212, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB126, sections 8 and 11; to state findings and declarations; to create a homestead exemption; to harmonize provisions; to provide an operative date; and to repeal the original sections.

LEGISLATIVE BILL 23. Introduced by Clements, 2.

A BILL FOR AN ACT relating to funds; to amend section 84-612, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB600, section 9, and Laws 2024, LB1413, section 58; to eliminate obsolete provisions; to harmonize provisions; to repeal the original section; and to declare an emergency.

LEGISLATIVE BILL 24. Introduced by Clements, 2.

A BILL FOR AN ACT relating to appropriations; to amend Laws 2023, LB814, section 13; to change appropriations; to repeal the original section; and to declare an emergency.

LEGISLATIVE BILL 25. Introduced by McKinney, 11.

A BILL FOR AN ACT relating to criminal justice; to amend section 29-2208, Revised Statutes Cumulative Supplement, 2022, and section 83-1,135, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB631, section 44; to adopt the Prison Population Reduction and Property Tax Relief Act; to provide for early discharge from parole and recommendations for commutation; to provide duties for the Department of Correctional Services, the Board of Parole, the Division of Parole Services, the Board of Pardons, and the Reentry Continuity Advisory Board; to harmonize provisions; and to repeal the original section.

LEGISLATIVE BILL 26. Introduced by Blood, 3.

A BILL FOR AN ACT relating to revenue and taxation; to amend section 77-2701, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB937, section 67, Laws 2024, LB1023, section 8, and Laws 2024, LB1317, section 80; and section 77-2701.04, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB937, section 68, and Laws 2024, LB1317, section 82; to define terms; to provide for a retail delivery fee; to harmonize provisions; to provide an operative date; and to repeal the original sections.

LEGISLATIVE BILL 27. Introduced by Blood, 3.

A BILL FOR AN ACT relating to revenue and taxation; to amend section 77-2715.07, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB937, section 74, Laws 2024, LB1023, section 9, Laws 2024, LB1344, section 9, and Laws 2024, LB1402, section 2; to adopt the Property Tax Circuit Breaker Act; to harmonize provisions; and to repeal the original section.

LEGISLATIVE BILL 28. Introduced by Bostar, 29.

A BILL FOR AN ACT relating to revenue and taxation; to amend section 77-3446, Revised Statutes Cumulative Supplement, 2022; to change provisions relating to the base limitation; and to repeal the original section.

MOTION - Adjourn Sine Die

Senator Wayne offered the following motion:
Adjourn Sine Die.

Speaker Arch moved for a call of the house. The motion prevailed with 22 ayes, 3 nays, and 24 not voting.

Senator Wayne requested a roll call vote, in reverse order, on his motion to adjourn sine die.

Voting in the affirmative, 4:

Cavanaugh, J. Cavanaugh, M. McKinney Wayne

Voting in the negative, 34:

Aguilar	Bostar	DeKay	Hunt	Moser
Albrecht	Brandt	Dungan	Ibach	Murman
Arch	Brewer	Fredrickson	Jacobson	Riepe
Armendariz	Clements	Halloran	Kauth	Slama
Ballard	Conrad	Hansen	Linehan	Vargas
Blood	Day	Holdcroft	Lowe	von Gillern
Bosn	DeBoer	Hughes	McDonnell	

Excused and not voting, 11:

Bostelman	Erdman	Meyer	Walz
Dorn	Hardin	Raybould	Wishart
Dover	Lippincott	Sanders	

The Wayne motion to adjourn sine die failed with 4 ayes, 34 nays, and 11 excused and not voting.

The Chair declared the call raised.

BILLS ON FIRST READING

The following bills were read for the first time by title:

LEGISLATIVE BILL 29. Introduced by Day, 49.

A BILL FOR AN ACT relating to aircraft; to amend sections 3-104, 3-106, and 3-159, Reissue Revised Statutes of Nebraska; to provide for the sale of certain state-owned aircraft; to prohibit the purchase, lease, rental, ownership, providing of maintenance for, or contribution to the maintenance of any aircraft that is or will be used by the Governor or the Governor's staff; to repeal the original sections; and to declare an emergency.

LEGISLATIVE BILL 30. Introduced by Day, 49.

A BILL FOR AN ACT relating to revenue and taxation; to amend section 77-3506, Revised Statutes Supplement, 2023; to change provisions relating to homestead exemptions for certain disabled veterans and surviving spouses as prescribed; and to repeal the original section.

REFERENCE COMMITTEE REPORT

The Legislative Council Executive Board submits the following report:

LB/LR	Committee
LB1	Government, Military and Veterans Affairs
LB2	Appropriations
LB3	Appropriations
LB4	General File
LB5	Executive Board
LB6	General Affairs
LB7	Revenue
LB8	Revenue
LB9	Revenue
LB10	Revenue
LB11	Revenue
LB12	Revenue
LB13	General Affairs
LB14	Revenue
LB15	Executive Board
LB16	Revenue
LB17	Natural Resources
LB18	Executive Board
LB19	Revenue
LB20	Revenue
LR1CA	Government, Military and Veterans Affairs
LR2CA	Revenue
LR3CA	General Affairs
LR4CA	Revenue
LR5CA	Revenue

Clouse, Stanley A. - Nebraska Natural Resources Commission - Natural Resources

Dunbar, Bradley - Nebraska Natural Resources Commission - Natural Resources

Kubat, Rick - Nebraska Natural Resources Commission - Natural Resources

Meyer, Kennon - Nebraska Natural Resources Commission - Natural Resources

Shadle, John - Nebraska Natural Resources Commission - Natural Resources

Smathers, Scott - Nebraska Natural Resources Commission - Natural Resources

(Signed) Raymond Aguilar, Chairperson
Executive Board

NOTICE OF COMMITTEE HEARING(S)

Natural Resources
Room 1113 9:30 AM

Tuesday, July 30, 2024

John Shadle - Nebraska Natural Resources Commission
Kennon Meyer - Nebraska Natural Resources Commission
Rick Kubat - Nebraska Natural Resources Commission

Room 1113 9:30 AM

Wednesday, July 31, 2024

Scott Smathers - Nebraska Natural Resources Commission
Stanley A. Clouse - Nebraska Natural Resources Commission

(Signed) Mike Moser, Vice Chairperson

BILLS ON FIRST READING

The following bills were read for the first time by title:

LEGISLATIVE BILL 31. Introduced by Conrad, 46.

A BILL FOR AN ACT relating to taxation; to provide for an excise tax on individual incomes as prescribed; and to create the Tax Equity Cash Fund.

LEGISLATIVE BILL 32. Introduced by Brandt, 32.

A BILL FOR AN ACT relating to the Nebraska Racetrack Gaming Act; to amend section 9-1103, Revised Statutes Supplement, 2023; to redefine terms relating to sports wagering under the Nebraska Racetrack Gaming Act; and to repeal the original section.

LEGISLATIVE BILL 33. Introduced by Brandt, 32.

A BILL FOR AN ACT relating to the Nebraska Property Tax Incentive Act; to amend section 77-6703, Revised Statutes Supplement, 2023; to change provisions related to tax credits for school district taxes paid; and to repeal the original section.

LEGISLATIVE BILL 34. Introduced by Brewer, 43; Conrad, 46; Halloran, 33; Linchan, 39; Murman, 38.

A BILL FOR AN ACT relating to revenue and taxation; to amend section 77-1301, Revised Statutes Cumulative Supplement, 2022; to change the method of assessment of real property as prescribed; and to repeal the original section.

LEGISLATIVE BILL 35. Introduced by Brewer, 43; Halloran, 33; Murman, 38.

A BILL FOR AN ACT relating to revenue and taxation; to amend section 77-6203, Revised Statutes Cumulative Supplement, 2022; to adjust the nameplate capacity tax for inflation as prescribed; and to repeal the original section.

RESOLUTION(S)

LEGISLATIVE RESOLUTION 6CA. Introduced by Kauth, 31.

THE MEMBERS OF THE ONE HUNDRED EIGHTH LEGISLATURE OF NEBRASKA, FIRST SPECIAL SESSION, RESOLVE THAT:

Section 1. At the general election in November 2024, the following proposed amendment to the Constitution of Nebraska shall be submitted to the electors of the State of Nebraska for approval or rejection:

To amend Article VIII, section 1, and add a new section 14 to Article VIII:

VIII-1 The necessary revenue of the state and its governmental subdivisions shall be raised by taxation in such manner as the Legislature may direct. Notwithstanding Article I, section 16, Article III, section 18, or Article VIII, section 4, of this Constitution or any other provision of this Constitution to the contrary: (1) Real property, as defined by the Legislature, not exempted by this Constitution, shall all be taxed in accordance with Article VIII, section 14, of this Constitution~~Taxes shall be levied by valuation uniformly and proportionately upon all real property and franchises as defined by the Legislature except as otherwise provided in or permitted by this Constitution;~~ (2) tangible personal property, as defined by the Legislature, not exempted by this Constitution or by legislation, shall all be taxed at depreciated cost using the same depreciation method with reasonable class lives, as determined by the Legislature, or shall all be taxed by valuation uniformly and proportionately; (3) the Legislature may provide for a different method of taxing motor vehicles and may also establish a separate class of motor vehicles consisting of those owned and held for resale by motor vehicle dealers which shall be taxed in the manner and to the extent provided by the Legislature and may also establish a separate class for trucks, trailers, semitrailers, truck-tractors, or combinations thereof, consisting of those owned by residents and nonresidents of this state, and operating in interstate commerce, and may provide reciprocal and proportionate taxation of such vehicles. The tax proceeds from motor vehicles taxed in each county shall be allocated to the county and the cities, villages, and school districts of such county; (4) ~~the Legislature may provide that agricultural land and horticultural land, as defined by the Legislature, shall constitute a separate and distinct class of property for purposes of~~

taxation and may provide for a different method of taxing agricultural land and horticultural land which results in values that are not uniform and proportionate with all other real property and franchises but which results in values that are uniform and proportionate upon all property within the class of agricultural land and horticultural land; (5) the Legislature may enact laws to provide that the value of land actively devoted to agricultural or horticultural use shall for property tax purposes be that value which such land has for agricultural or horticultural use without regard to any value which such land might have for other purposes or uses; (5)(6) the Legislature may prescribe standards and methods for the determination of the value of real property at uniform and proportionate values; (7) in furtherance of the purposes for which such a law of the United States has been adopted, whenever there exists a law of the United States which is intended to protect a specifically designated type, use, user, or owner of property or franchise from discriminatory state or local taxation, such property or franchise shall constitute a separate class of property or franchise under the laws of the State of Nebraska, and such property or franchise may not be taken into consideration in determining whether taxes are levied by valuation uniformly or proportionately upon any property or franchise, and the Legislature may enact laws which statutorily recognize such class and which tax or exempt from taxation such class of property or franchise in such manner as it determines; and (6)(8) the Legislature may provide that livestock shall constitute a separate and distinct class of property for purposes of taxation and may further provide for reciprocal and proportionate taxation of livestock located in this state for only part of a year. Each actual property tax rate levied for a governmental subdivision shall be the same for all classes of taxed property and franchises. Taxes uniform as to class of property or the ownership or use thereof may be levied by valuation or otherwise upon classes of intangible property as the Legislature may determine, and such intangible property held in trust or otherwise for the purpose of funding pension, profit-sharing, or other employee benefit plans as defined by the Legislature may be declared exempt from taxation. Taxes other than property taxes may be authorized by law. Existing revenue laws shall continue in effect until changed by the Legislature.

VIII-14 (1) Beginning January 1, 2025, the maximum amount of any ad valorem tax on real property shall not exceed one and one-half percent of the full cash value of such property. Such tax shall be collected by the counties and apportioned as prescribed by the Legislature to the political subdivisions within the counties.

(2) The limitation provided for in subsection (1) of this section shall not apply to ad valorem taxes or special assessments to pay the interest and redemption charges on any of the following:

- (a) Bonded indebtedness approved by the voters prior to January 1, 2025;
- (b) Bonded indebtedness for the acquisition or improvement of real property approved on or after January 1, 2025, by two-thirds of the votes cast by the voters voting on the proposition; or
- (c) Bonded indebtedness incurred by a school district or community college area for the construction, reconstruction, rehabilitation, or

replacement of school or community college facilities, including the furnishing and equipping of such facilities, or the acquisition or lease of real property for such facilities, approved on or after January 1, 2025, by fifty-five percent of the votes cast by the voters voting on the proposition. This subdivision shall apply only if the proposition approved by the voters and resulting in the bonded indebtedness includes all of the following accountability requirements:

(i) A requirement that the proceeds from the sale of the bonds be used only for the purposes specified in this subdivision;

(ii) A list of the specific school or community college facility projects to be funded and a requirement that the school board or community college board of governors conduct an annual independent performance audit to ensure that the funds have been expended only on the specific projects listed; and

(iii) A requirement that the school board or community college board of governors conduct an annual independent financial audit of the proceeds from the sale of the bonds until all of those proceeds have been expended for the applicable school or community college facility project.

(3)(a) For purposes of this section, full cash value means the county assessor's valuation of real property for 2025 or, thereafter, the appraised value of real property when purchased, when newly constructed, or when a change in ownership has occurred after the 2025 assessment.

(b) Full cash value shall be adjusted from year to year by the inflationary rate, not to exceed two percent for any given year, or the deflationary rate, if applicable, as shown in the consumer price index or comparable data for the area subject to taxation, and may also be reduced to reflect substantial damage, destruction, or other factors causing a decline in value.

(4) Subject to applicable procedures and definitions as provided by statute, an individual who is over fifty-five years of age, severely disabled, or a victim of a natural disaster may transfer the full cash value of the individual's primary residence to a replacement primary residence located in this state so long as the replacement primary residence:

(a) Is similar in size, utility, and function to the original primary residence;

(b) Has a fair market value that is comparable to the fair market value of the original primary residence; and

(c) Is purchased or newly constructed by such individual within two years after the sale of the original primary residence.

(5) For purposes of subsection (3) of this section, the term "newly constructed" does not include the construction, installation, removal, or modification of any portion or structural component of an existing building or structure if the construction, installation, removal, or modification is for the purpose of making the building more accessible to, or more usable by, a disabled person.

(6) For purposes of subsection (3) of this section, the term "change in ownership" does not include the acquisition of real property as a replacement for comparable property if the person acquiring the real property has been displaced from the property replaced by eminent domain proceedings, by acquisition by a public entity, or by governmental action that has resulted in a judgment of inverse condemnation. The real property

acquired shall be deemed comparable to the property replaced if it is similar in size, utility, and function.

(7) For purposes of subsection (3) of this section, the terms "purchased" and "change in ownership" do not include the purchase or transfer of real property between spouses since January 1, 2025, including, but not limited to, all of the following:

(a) Transfers to a trustee for the beneficial use of a spouse, or the surviving spouse of a deceased transferor, or by a trustee of such a trust to the spouse of the trustor;

(b) Transfers to a spouse that take effect upon the death of a spouse;

(c) Transfers to a spouse or former spouse in connection with a property settlement agreement or decree of dissolution of a marriage or legal separation;

(d) The creation, transfer, or termination, solely between spouses, of any co-owner's interest; or

(e) The distribution of a legal entity's property to a spouse or former spouse in exchange for the interest of the spouse in the legal entity in connection with a property settlement agreement or a decree of dissolution of a marriage or legal separation.

(8)(a) For purposes of subsection (3) of this section, the terms "purchased" and "change in ownership" do not include the purchase or transfer of the principal residence of the transferor in the case of a purchase or transfer between parents and their children, as defined by the Legislature, and the purchase or transfer of the first one million dollars of the full cash value of all other real property between parents and their children, as defined by the Legislature. This subdivision applies to both voluntary transfers and transfers resulting from a court order or judicial decree.

(b) The exclusion established by subdivision (8)(a) of this section also applies to a purchase or transfer of real property between grandparents and their grandchildren, as defined by the Legislature, if the purchase or transfer otherwise qualifies under subdivision (8)(a) of this section and if all of the parents of the grandchildren, who qualify as children of the grandparents, are deceased as of the date of the purchase or transfer.

(9)(a) The full cash value of qualified contaminated property may be transferred to a replacement property that is acquired or newly constructed as a replacement for the qualified contaminated property, if the replacement real property has a fair market value that is comparable to the fair market value of the qualified contaminated property if that property were not contaminated. This subdivision applies only to replacement property that is acquired or newly constructed within five years after ownership in the qualified contaminated property is sold or otherwise transferred.

(b) If the remediation of the environmental problems on qualified contaminated property requires the destruction of, or results in substantial damage to, a structure located on that property, the term "new construction" does not include the repair of a substantially damaged structure, or the construction of a structure replacing a destroyed structure on the qualified contaminated property, that is performed after the remediation of the environmental problems on that property, provided that the repaired or replacement structure is similar in size, utility, and function to the original structure.

(c) For purposes of this subsection, the term "qualified contaminated property" means residential or nonresidential real property that:

(i) In the case of residential real property, is rendered uninhabitable, and in the case of nonresidential real property, is rendered unusable, as the result of either environmental problems, in the nature of and including, but not limited to, the presence of toxic or hazardous materials, or the remediation of those environmental problems, except where the existence of the environmental problems was known to the owner, or to a related individual or entity as described in subdivision (9)(d) of this section, at the time the real property was acquired or constructed. For purposes of this subdivision, residential real property is uninhabitable if that property, as a result of health hazards caused by or associated with the environmental problems, is unfit for human habitation, and nonresidential real property is unusable if that property, as a result of health hazards caused by or associated with the environmental problems, is unhealthy and unsuitable for occupancy;

(ii) Is located on a site that has been designated as a toxic or environmental hazard or as an environmental cleanup site by an agency of the State of Nebraska or the federal government;

(iii) Has not been rendered uninhabitable or unusable, as described in subdivision (9)(c)(i) of this section, by any act or omission in which an owner of that real property participated or acquiesced.

(d) It shall be rebuttably presumed that an owner of the real property participated or acquiesced in an act or omission that rendered the real property uninhabitable or unusable, as applicable, if that owner is related to any individual or entity that committed that act or omission in any of the following ways:

(i) Is a spouse, parent, child, grandparent, grandchild, or sibling of that individual;

(ii) Is a corporate parent, subsidiary, or affiliate of that entity;

(iii) Is an owner of, or has control of, that entity; or

(iv) Is owned or controlled by that entity.

(e) If the presumption in subdivision (9)(d) of this section is not overcome, the owner shall not receive the relief provided for in subdivision (9)(a) or (b) of this section. The presumption may be overcome by presentation of satisfactory evidence to the county assessor.

Sec. 2. The proposed amendment shall be submitted to the electors in the manner prescribed by the Constitution of Nebraska, Article XVI, section 1, with the following ballot language:

A constitutional amendment to impose a limit on ad valorem taxes for real property, provide a new method of valuing real property for tax purposes, provide certain exceptions, and eliminate conflicting constitutional provisions.

For

Against.

MOTION(S) - Print in Journal

Senator Linehan filed the following motion to LB1:

Rereference LB1 from the Government, Military and Veterans Affairs Committee pursuant to Rule 6, Sec. 2.

Senator M. Cavanaugh filed the following motion to LB2:
[MO24](#)
Recommit to the Appropriations Committee.

Senator Conrad filed the following motion to LB2:
[MO25](#)
Recommit to the Appropriations Committee.

Senator Conrad filed the following motion to LB2:
[MO26](#)
Recommit to the Appropriations Committee.

Senator Conrad filed the following motion to LB2:
[MO27](#)
Recommit to the Appropriations Committee.

Senator M. Cavanaugh filed the following motion to LB3:
[MO28](#)
Recommit to the Appropriations Committee.

Senator Conrad filed the following motion to LB3:
[MO30](#)
Recommit to the Appropriations Committee.

Senator Conrad filed the following motion to LB3:
[MO31](#)
Recommit to the Appropriations Committee.

Senator Conrad filed the following motion to LB3:
[MO32](#)
Recommit to the Appropriations Committee.

NOTICE OF COMMITTEE HEARING(S)

Revenue
Room 1524 9:30 AM

Monday, July 29, 2024

LB7
LB8
LB9
LB10
LB11
LB12
LB14

Note: The Revenue Committee will break for lunch between 1:00 - 1:30 pm.

Note: This list contains all bills the committee plans to hear on this day. However, due to time restraints, all bills may not come up on this date. The committee will complete the hearing for the bill that is before them at 6:00 pm. Any bill(s) not heard by 6:00 pm will be placed at the top of the agenda on the next day.

(Signed) Lou Ann Linehan, Chairperson

UNANIMOUS CONSENT - Add Cointroducer(s)

Unanimous consent to add Senator(s) as cointroducer(s). No objections. So ordered.

Senator Hunt name added to LB20.

Senator Walz name added to LB9.

Senator Wishart name added to LB13.

Senator Wishart name added to LR3CA.

ADJOURNMENT

At 12:21 p.m., on a motion by Speaker Arch, the Legislature adjourned until 9:00 a.m., Monday, July 29, 2024.

Brandon Metzler
Clerk of the Legislature

