

LEGISLATURE OF NEBRASKA  
ONE HUNDRED NINTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 634**

Introduced by Hansen, 16.

Read first time January 22, 2025

Committee: Executive Board

- 1 A BILL FOR AN ACT relating to government; to adopt the Legislative Sunset
- 2 Review Act; to eliminate the Legislature's Planning Committee; to
- 3 eliminate obsolete provisions; to provide an operative date; and to
- 4 outright repeal sections 50-419.03, 50-435, 50-1401, 50-1402,
- 5 50-1403, and 50-1404, Reissue Revised Statutes of Nebraska.
- 6 Be it enacted by the people of the State of Nebraska,

1        **Section 1.** Sections 1 to 12 of this act shall be known and may be  
2 cited as the Legislative Sunset Review Act.

3        **Sec. 2.** For purposes of the Legislative Sunset Review Act:

4        (1)(a) Advisory committee means any examining or licensing board,  
5 council, advisory council, committee, task force, coordinating council,  
6 commission, or board of trustees created to provide advice or  
7 recommendations to any state agency or other entity of state government;  
8 and

9        (b) Advisory committee does not include the Legislative Sunset  
10 Review Committee; and

11        (2)(a) Reviewable entity means any of the following that were  
12 created by the Legislature:

13        (i) Board;

14        (ii) Council;

15        (iii) Committee;

16        (iv) Task force;

17        (v) Commission;

18        (vi) Fund;

19        (vii) Program; or

20        (viii) Any other entity, body, or position; and

21        (b) Reviewable entity does not include:

22        (i) Any entity, body, or position that was not created by the  
23 Legislature; and

24        (ii) Any committee of the Legislature.

25        **Sec. 3.** (1) The Legislative Sunset Review Committee is created for  
26 the purpose of reviewing reviewable entities and proposing legislation to  
27 eliminate or modify such reviewable entities.

28        (2) The Legislative Sunset Review Committee is comprised of the  
29 following members:

30        (a) The chairperson of the Executive Board of the Legislative  
31 Council;

1       (b) The chairperson of the Appropriations Committee of the  
2 Legislature; and

3       (c) Five other members of the Legislature to be chosen by the  
4 Executive Board of the Legislative Council. When selecting the five other  
5 members, the executive board shall ensure that the Legislative Sunset  
6 Review Committee includes adequate geographic representation.

7       (3) The chairperson and vice-chairperson of the committee shall be  
8 elected by majority vote of the committee.

9       (4) The initial members of the committee shall be appointed as soon  
10 as possible after January 1, 2026, and thereafter the committee shall be  
11 appointed at the beginning of each regular legislative session.

12       (5) The committee shall have staff support from the various  
13 legislative divisions and staff.

14       **Sec. 4.** (1) The Legislative Sunset Review Committee shall create a  
15 schedule to perform sunset reviews of reviewable entities, with the  
16 initial sunset reviews beginning in 2027. Each reviewable entity shall be  
17 scheduled for review every five years.

18       (2) Such schedule shall be published on the Legislature's website.

19       **Sec. 5.** (1) Not later than the beginning of the legislative session  
20 in the year in which a reviewable entity is scheduled to be reviewed, the  
21 reviewable entity shall electronically submit a report to the Clerk of  
22 the Legislature that includes:

23       (a) The performance measures for each program and activity provided  
24 by the reviewable entity and three years of data for each measure that  
25 provides actual results for the immediately preceding two years and  
26 projected results for the fiscal year that begins in the year that the  
27 reviewable entity report is scheduled to be submitted to the Legislature;

28       (b) An explanation of factors that have contributed to any failure  
29 to achieve the legislative standards;

30       (c) The promptness and effectiveness with which the reviewable  
31 entity disposes of complaints concerning persons affected by the

1 reviewable entity;

2 (d) The extent to which the reviewable entity has encouraged  
3 participation by the public in making its rules and decisions as opposed  
4 to participation solely by those it regulates and the extent to which  
5 public participation has resulted in rules compatible with the objectives  
6 of the reviewable entity;

7 (e) The extent to which the reviewable entity has complied with  
8 applicable requirements of state law and applicable rules regarding  
9 purchasing goals and programs for small and minority-owned businesses;

10 (f) A statement of any statutory objectives intended for each  
11 program and activity, the problem or need that the program and activity  
12 were intended to address, and the extent to which these objectives have  
13 been achieved;

14 (g) An assessment of the extent to which the jurisdiction of the  
15 reviewable entity and its programs overlap or duplicate those of other  
16 reviewable entities and the extent to which the programs can be  
17 consolidated with those of other reviewable entities;

18 (h) An assessment of less restrictive or alternative methods of  
19 providing services for which the reviewable entity is responsible which  
20 would reduce costs or improve performance while adequately protecting the  
21 public;

22 (i) An assessment of the extent to which the reviewable entity has  
23 corrected deficiencies and implemented recommendations contained in  
24 reports of the Auditor of Public Accounts, legislative interim studies,  
25 and federal audit entities;

26 (j) The process by which the reviewable entity actively measures  
27 quality and efficiency of services it provides to the public;

28 (k) The extent to which the reviewable entity complies with public  
29 records requirements under sections 84-712 to 84-712.09 and the Open  
30 Meetings Act;

31 (l) The extent to which alternative program delivery options, such

1 as privatization, outsourcing, or insourcing, have been considered to  
2 reduce costs or improve services to residents of this state;

3 (m) Recommendations to the Legislature for statutory, budgetary, or  
4 regulatory changes that would improve the quality and efficiency of  
5 services delivered to the public, reduce costs, or reduce duplication;

6 (n) The effect of federal intervention or loss of federal funds if  
7 the reviewable entity is terminated;

8 (o) A list of each advisory committee relating to the reviewable  
9 entity, including those established in statute and those established by  
10 managerial initiative, and for each advisory committee:

11 (i) The purpose, activities, composition, and related expenses of  
12 the advisory committee;

13 (ii) The extent to which the purposes of the advisory committee have  
14 been achieved; and

15 (iii) The rationale for continuing or eliminating the advisory  
16 committee;

17 (p) Programs or functions of the reviewable entity that are  
18 performed without specific statutory authority; and

19 (q) Other information requested by the Legislature.

20 (2) Information and data reported by the reviewable entity shall be  
21 validated by the person administrating the reviewable entity before  
22 submission to the Legislature.

23 **Sec. 6.** (1) Upon receipt of any report under section 5 of this act,  
24 the Legislative Sunset Review Committee may and the appropriate  
25 legislative committee shall conduct a review of the reviewable entity and  
26 its advisory committees, including an examination of the cost of each  
27 program of the reviewable entity, an evaluation of best practices and  
28 alternatives that would result in the administration of the reviewable  
29 entity in a more efficient or effective manner, an examination of the  
30 viability of privatization or a different reviewable entity performing  
31 the functions, and an evaluation of the cost and consequences of

1 discontinuing the reviewable entity.

2 (2) The reviews shall be comprehensive in scope and shall consider  
3 the information provided by the reviewable entity report in addition to  
4 information deemed necessary by the appropriate committee.

5 **Sec. 7.** No later than December 15 of the year in which a reviewable  
6 entity or its advisory committees are scheduled to be reviewed, the  
7 Legislative Sunset Review Committee shall:

8 (1) Review the information submitted by the reviewable entity and  
9 the reports of any independent reviews directed by the committee,  
10 including those conducted by Auditor of Public Accounts;

11 (2) Send a copy of the report and recommendation to the  
12 Appropriations Committee of the Legislature and the Auditor of Public  
13 Accounts;

14 (3) Hold public hearings to consider this information as well as  
15 other information and testimony that the Legislative Sunset Review  
16 Committee deems necessary; and

17 (4) Present to the Speaker of the Legislature a report on the  
18 reviewable entities and advisory committees scheduled to be reviewed that  
19 year by the Legislature. In the report, the Legislative Sunset Review  
20 Committee shall include its specific findings and recommendations  
21 regarding the information considered pursuant to section 8 of this act,  
22 make recommendations as described in section 9 of this act, and propose  
23 legislation as it considers necessary.

24 **Sec. 8.** The Legislative Sunset Review Committee may consider  
25 information submitted pursuant to section 5 of this act as well as any  
26 additional information it considers relevant in determining whether a  
27 public need exists for the continuation of a reviewable entity or its  
28 advisory committees or for the performance of any of the functions of the  
29 reviewable entity or its advisory committees.

30 **Sec. 9.** In its report on any reviewable entity, the Legislative  
31 Sunset Review Committee shall:

1       (1) Make recommendations on the termination, continuation, or  
2 reorganization of each reviewable entity and its advisory committees and  
3 on the need for the performance of the functions of the reviewable entity  
4 and its advisory committees;

5       (2) Make recommendations on the consolidation, transfer, or  
6 reorganization of programs within reviewable entities not under review  
7 when the programs duplicate functions performed in reviewable entities  
8 under review; and

9       (3) Propose legislation in the next regular legislative session to  
10 carry out the recommendations of the Legislative Sunset Review Committee.

11       **Sec. 10.** (1) Any unobligated and unexpended appropriations of any  
12 terminated reviewable entity or advisory committee shall lapse to the  
13 General Fund on the date of termination.

14       (2) Except as provided in subsection (4) of this section or as  
15 otherwise provided by law, all money in a terminated fund is transferred  
16 to the General Fund. Any law dedicating the money to a fund of a  
17 terminated entity becomes void on the date of termination.

18       (3)(a) If not otherwise provided by law, property in the custody of  
19 a terminated reviewable entity or advisory committee shall be transferred  
20 to the Department of Administrative Services.

21       (b) If not otherwise provided by law, records in the custody of a  
22 terminated reviewable entity or advisory committee shall be transferred  
23 to the Department of Administrative Services.

24       (4)(a) The Legislature recognizes the state's continuing obligation  
25 to pay bonds and all other financial obligations, including contracts,  
26 loans, promissory notes, lease-purchase agreements, certificates of  
27 participation, installment sales contracts, master equipment financing  
28 agreements, and any other form of indebtedness, incurred by the state or  
29 any reviewable entity terminated pursuant to the Legislative Sunset  
30 Review Act.

31       (b) The Legislative Sunset Review Act shall not impair or impede the

1 payment of bonds and other financial obligations, or any other covenant  
2 contained in the legal documents authorizing the issuance of debt or the  
3 execution of any other financial obligation in accordance with their  
4 terms.

5 (c) If the state or a terminated reviewable entity has outstanding  
6 bonds or other outstanding financial obligations, the bonds and all other  
7 financial obligations remain valid and enforceable in accordance with  
8 their terms and subject to all applicable terms and requirements  
9 contained in the legal documents authorizing the issuance of debt or the  
10 execution of any other financial obligation.

11 (d) If not otherwise provided by law, the Department of  
12 Administrative Services shall carry out all covenants contained in the  
13 bonds and in the resolutions authorizing the issuance of bonds, and  
14 perform all obligations required thereby. The state or a designated state  
15 agency shall provide for the payment of the bonds and all other financial  
16 obligations from the sources of payment specified in the resolution or  
17 legal documents authorizing the issuance or execution thereof in  
18 accordance with the terms of the bonds or other financial obligations,  
19 whether from taxes, specified revenues, or otherwise, until the bonds and  
20 interest on the bonds are paid in full and all other financial  
21 obligations are performed and paid in full.

22 (e) All funds or accounts established by laws or legal documents  
23 authorizing the issuance of bonds, or the execution of other financial  
24 obligations, shall remain with the previously designated party.

25 (f) Any money or accounts held by a terminated reviewable entity  
26 shall be transferred to a designated successor in compliance with the  
27 resolution or legal documents applicable to the outstanding bonds or  
28 other financial obligations.

29 **Sec. 11.** (1) The Legislative Sunset Review Committee may, for  
30 purposes of conducting a sunset review:

31 (a) Investigate any matter within the scope of a sunset review



1 either completed or being conducted by the Legislative Sunset Review  
2 Committee; or

3 (b) Exercise any power vested in a standing committee of the  
4 Legislature.

5 (2) The Legislative Sunset Review Committee may access or request  
6 information and request assistance of reviewable entities, state  
7 agencies, and officers. When assistance is requested, a reviewable  
8 entity, state agency, or officer shall assist the Legislative Sunset  
9 Review Committee.

10 (3) In carrying out the Legislative Sunset Review Act, the  
11 Legislative Sunset Review Committee or its designated staff member may  
12 inspect the records, documents, or files of any reviewable entity or  
13 state agency.

14 **Sec. 12.** Except as otherwise expressly provided by law, termination  
15 of a reviewable entity does not affect any right or duty that matured,  
16 penalty that was incurred, civil or criminal liability that arose, or  
17 proceeding that was begun before the termination.

18 **Sec. 13.** This act becomes operative on January 1, 2026.

19 **Sec. 14.** The following sections are outright repealed: Sections  
20 50-419.03, 50-435, 50-1401, 50-1402, 50-1403, and 50-1404, Reissue  
21 Revised Statutes of Nebraska.