

FORTY-SIXTH DAY - MARCH 18, 2025

LEGISLATIVE JOURNAL

**ONE HUNDRED NINTH LEGISLATURE
FIRST SESSION**

FORTY-SIXTH DAY

Legislative Chamber, Lincoln, Nebraska
Tuesday, March 18, 2025

PRAYER

The prayer was offered by Reverend Robert J. Magoola, St. Mark's, Lincoln.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was offered by Senator Hardin.

ROLL CALL

Pursuant to adjournment, the Legislature met at 9:00 a.m., Speaker Arch presiding.

The roll was called and all members were present except Senators Bostar, Conrad, DeBoer, Dorn, Hughes, Hunt, McKinney, Raybould, and Spivey who were excused until they arrive.

CORRECTIONS FOR THE JOURNAL

The Journal for the forty-fifth day was approved.

COMMITTEE REPORT(S)

Natural Resources

LEGISLATIVE BILL 595. Placed on General File with amendment.

AM619

1 1. On page 2, line 7, after the period insert "No money appropriated
2 or transferred from the fund shall be used for electronic-related
3 equipment or electronic-related components manufactured or supplied by a
4 foreign adversary as identified in 15 C.F.R. 791.4, as such regulation
5 existed on February 7, 2025, for data gathering equipment that will be or
6 is located within a ten-mile radius of a military installation as defined
7 in section 70-1001.01."

(Signed) Tom Brandt, Chairperson

AMENDMENT(S) - Print in Journal

Senator Spivey filed the following amendment to LB69:

AM162

1 1. Strike the original sections and insert the following new

2 sections:

3 Section 1. Section 81-2601, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 81-2601 (1) There is hereby established the Commission on African
6 American Affairs. For purposes of sections 81-2601 to 81-2607, commission
7 means the Commission on African American Affairs.

8 (2) The commission shall consist of fourteen members who shall be of
9 African ancestry. Members of the commission shall be appointed by the
10 Governor. One member of the commission shall be an individual who
11 identifies as an immigrant or new American and one member shall be a
12 young professional eighteen years of age or older and younger than
13 twenty-five years of age. The commission may have such nonvoting, ex
14 officio members as shall be appointed by the commission and who need not
15 be of African ancestry. The commission shall elect one of its members as
16 chairperson.

17 (3) Members of the commission shall serve no more than two four-year
18 terms or for the unexpired term in the event of a vacancy. As the terms
19 of the voting members expire, their successors shall be appointed by the
20 Governor from a panel of nominees submitted by the public. An appointment
21 for an unexpired term shall follow the same procedure as for initial and
22 subsequent appointments. Voting members shall be eligible for
23 reappointment.

24 (4) The names of all commissioners shall be listed on the
25 commission's website.

26 Sec. 2. Section 81-2602, Reissue Revised Statutes of Nebraska, is
27 amended to read:

1 81-2602 The purpose of the commission is to join representatives of
2 African Americans and Black Americans across the diaspora in Nebraska to
3 do all things which the commission may determine to enhance the well-
4 being of African Americanseause of African American rights and to develop
5 proactive solutions to problems common to all Nebraska African Americans.

6 Sec. 3. Section 81-2603, Reissue Revised Statutes of Nebraska, is
7 amended to read:

8 81-2603 The commission may receive and administer funds from state,
9 federal, and other sources and may employ and fix the compensation of
10 personnelan executive director of its own choosing who shall be an
11 African American person and a legal resident of the State of Nebraska. An
12 office for the executive managementdirector shall be provided.

13 Sec. 4. Section 81-2604, Reissue Revised Statutes of Nebraska, is
14 amended to read:

15 81-2604 The functions of the commission are to:

16 (1) Promote state and federal legislation beneficial to the African
17 American community in Nebraska;

18 (2) Coordinate new and existing programs relating to the African
19 American community in Nebraska regarding key opportunities including, but
20 not limited to, housing, education, welfare, medical and dental care,
21 employment, economic development, law and order, and related
22 themesproblems;

23 (3) Work with other state and federal government agencies and
24 federal and state elected officials in the development of programs in
25 areas mentioned in subdivision (2) of this section;

26 (4) Keep the Governor's office apprised of the situation in the
27 African American community in Nebraska;

28 (5) Administer sections 81-2601 to 81-2607;

29 (6) Provide the public with information and education relevant to
 30 African American affairs in Nebraska; and

31 (7) Develop ~~initiatives~~programs to encourage the total involvement
 1 of African American people in activities for the common benefit of the
 2 African American community.

3 Sec. 5. Section 81-2606, Reissue Revised Statutes of Nebraska, is
 4 amended to read:

5 81-2606 (1) The commission shall meet at least once every calendar
 6 year in the city with the largest African American population. Public
 7 ~~notice of a meeting shall be required no later than seven calendar days~~
 8 ~~prior to the date of such meeting and shall be published on the~~
 9 ~~commission's website, social media, and shared with local media~~
 10 ~~outlets~~quarter. Meetings shall be held in January, April, July, and
 11 October. Special meetings may be called at the request of eight voting
 12 members. Eight voting members of the commission shall constitute a quorum
 13 for the transaction of business. Commission meeting minutes shall be
 14 posted on the commission's website.

15 (2) The office of any member of the commission who, without a valid
 16 excuse, fails to attend ~~annual~~quarterly or special meetings shall be
 17 vacant.

18 (3) The commission shall electronically submit an annual report to
 19 the Clerk of the Legislature containing a summary of the following:

20 (a) An overview of the commission's mission, key achievements,
 21 challenges, and primary goals for the coming year;

22 (b) Legislative advocacy and policy impact including the
 23 commission's role in supporting or proposing legislation, policies for
 24 which the commission advocated, supported, or implemented that impacted
 25 the African American community and the progress made on the policies
 26 described in sections 81-2601 to 81-2607;

27 (c) Community engagement programs including initiatives, outreach,
 28 public forums, and partnerships with community organizations;

29 (d) Economic development initiatives including efforts to improve
 30 economic opportunities within the African American community, employment
 31 programs, small business support, training, and progress in reducing
 1 economic disparities;

2 (e) Education and workforce development including educational
 3 initiatives, such as scholarships, mentoring programs, partnerships with
 4 schools, and efforts to ensure African American youth and adults have
 5 access to career advancement opportunities;

6 (f) Health and wellness initiatives including programs that address
 7 health disparities, wellness promotion, and increasing access to health
 8 care resources;

9 (g) Criminal justice and public safety efforts including those that
 10 address disparities in the criminal justice system, programs for formerly
 11 incarcerated individuals, and improvements in police-community relations;

12 (h) Housing and community development including initiatives to
 13 address issues such as affordable housing, eviction prevention efforts,
 14 and partnerships with housing agencies;

15 (i) Metrics and key performance indicators including data that
 16 demonstrates the impact of each program or initiative, such as employment
 17 rates, graduation rates, health outcomes, and recidivism rates in the
 18 African American community;

19 (j) Financial information including the commission's budget, funding
 20 sources, expenditures, grants received, and public funds allocated;

21 (k) Public feedback and a community needs assessment including
 22 feedback from the community on the effectiveness of the commission's work
 23 and priority areas for improvement; and

24 (l) Future goals and strategic plans including goals for the
 25 upcoming year and long-term objectives with a focus on addressing
 26 challenges and advancing the commission's mission.

27 Sec. 6. Section 81-2607, Reissue Revised Statutes of Nebraska, is
28 amended to read:
29 81-2607 (1) For purposes of administration of the commission during
30 the interim between regular ~~annual~~ quarterly meetings, there is hereby
31 established an executive board of the Commission on African American
1 Affairs consisting of the chairperson of the commission and four members
2 of the commission.
3 (2) The executive board may enter into contracts for consultation
4 services, supplies, and equipment, if the amount contracted for does not
5 exceed two thousand dollars in any one contract, and may supervise all
6 initiatives ~~programs~~ relating to the affairs of African American people
7 instituted and authorized by the commission.
8 Sec. 7. Original sections 81-2601, 81-2602, 81-2603, 81-2604,
9 81-2606, and 81-2607, Reissue Revised Statutes of Nebraska, are repealed.

MESSAGE(S) FROM THE GOVERNOR

March 17, 2025

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 Nebraska Educational Telecommunications
Commission:

Clay Smith, 2310 Woodsdale Blvd., Lincoln, NE 68502, At Large -
District 1
Paul Turman, 16200 Hickman Ridge Road, Roca, NE 68430, State College
Representative

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

Sincerely,
(Signed) Jim Pillen
Governor

Enclosures

SELECT FILE

LEGISLATIVE BILL 293A. Advanced to Enrollment and Review for
Engrossment.

LEGISLATIVE BILL 185. [ER23](#), found on page 658, was offered.

ER23 was adopted.

Advanced to Enrollment and Review for Engrossment.

LEGISLATIVE BILL 230. Senator Hallstrom offered [AM597](#), found on page 736.

Senator J. Cavanaugh offered the following motion:

[MO93](#)

Bracket until June 9, 2025.

Senator Ballard moved the previous question. The question is, "Shall the debate now close?" The motion prevailed with 27 ayes, 5 nays, and 17 not voting.

Senator J. Cavanaugh moved for a call of the house. The motion prevailed with 28 ayes, 2 nays, and 19 not voting.

Senator J. Cavanaugh requested a roll call vote on his motion to bracket:

Voting in the affirmative, 4:

Conrad Dungan Juarez Rountree

Voting in the negative, 36:

Andersen	DeKay	Ibach	Murman	Storm
Arch	Dorn	Jacobson	Prokop	Strommen
Armendariz	Dover	Kauth	Quick	von Gillern
Ballard	Fredrickson	Lippincott	Raybould	Wordekemper
Bosn	Hallstrom	Lonowski	Riepe	
Brandt	Hansen	McKeon	Sanders	
Clements	Hardin	Meyer	Sorrentino	
Clouse	Holdcroft	Moser	Storer	

Present and not voting, 4:

Cavanaugh, J. Cavanaugh, M. Guereca Spivey

Excused and not voting, 5:

Bostar DeBoer Hughes Hunt McKinney

The J. Cavanaugh motion to bracket failed with 4 ayes, 36 nays, 4 present and not voting, and 5 excused and not voting.

The Chair declared the call raised.

Senator J. Cavanaugh offered the following motion:

[MO94](#)

Reconsider the vote taken on MO93.

Senator J. Cavanaugh asked unanimous consent to withdraw [MO94](#), to reconsider the vote taken on MO93.

No objections. So ordered.

The Hallstrom amendment was adopted with 37 ayes, 0 nays, 9 present and not voting, and 3 excused and not voting.

Senator Bosn withdrew [AM600](#), found on page 774.

Senator DeKay offered [AM689](#), found on page 806.

The DeKay amendment was adopted with 33 ayes, 0 nays, 13 present and not voting, and 3 excused and not voting.

Senator Riepe offered [AM577](#), found on page 752.

The Riepe amendment was adopted with 28 ayes, 0 nays, 19 present and not voting, and 2 excused and not voting.

Advanced to Enrollment and Review for Engrossment.

LEGISLATIVE BILL 290. Senator M. Cavanaugh moved for a call of the house. The motion prevailed with 24 ayes, 2 nays, and 23 not voting.

Senator Hallstrom requested a roll call vote on the advancement of the bill.

Voting in the affirmative, 25:

Arch	Cavanaugh, M.	Dover	Ibach	Prokop
Armendariz	Clouse	Dungan	Juarez	Quick
Bostar	Conrad	Fredrickson	McKinney	Raybould
Brandt	DeBoer	Guereca	Meyer	Rountree
Cavanaugh, J.	Dorn	Hughes	Moser	Spivey

Voting in the negative, 3:

Andersen	Bosn	Hardin
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Present and not voting, 20:

Ballard	Hansen	Lippincott	Riepe	Storm
Clements	Holdcroft	Lonowski	Sanders	Strommen
DeKay	Jacobson	McKeon	Sorrentino	von Gillern
Hallstrom	Kauth	Murman	Storer	Wordekemper

Excused and not voting, 1:

Hunt

Advanced to Enrollment and Review for Engrossment with 25 ayes, 3 nays, 20 present and not voting, and 1 excused and not voting.

The Chair declared the call raised.

LEGISLATIVE BILL 144. Advanced to Enrollment and Review for Engrossment.

LEGISLATIVE BILL 478. Advanced to Enrollment and Review for Engrossment.

LEGISLATIVE BILL 177. [ER24](#), found on page 713, was offered.

ER24 was adopted.

Advanced to Enrollment and Review for Engrossment.

LEGISLATIVE BILL 325. [ER25](#), found on page 732, was offered.

ER25 was adopted.

Advanced to Enrollment and Review for Engrossment.

LEGISLATIVE BILL 248. Advanced to Enrollment and Review for Engrossment.

LEGISLATIVE BILL 105. Advanced to Enrollment and Review for Engrossment.

LEGISLATIVE BILL 266. Advanced to Enrollment and Review for Engrossment.

COMMITTEE REPORT(S)

Transportation and Telecommunications

LEGISLATIVE BILL 207. Placed on General File with amendment.

[AM73](#)

1 1. On page 2, line 8, strike "having" and insert "that is not
2 registered pursuant to section 60-3,198 and that has".

(Signed) Mike Moser, Chairperson

Health and Human Services

LEGISLATIVE BILL 257. Placed on General File.

LEGISLATIVE BILL 319. Placed on General File.

LEGISLATIVE BILL 202. Placed on General File with amendment.

[AM57](#)

1 1. Strike the original sections and insert the following new
 2 sections:
 3 Section 1. Section 38-2037, Reissue Revised Statutes of Nebraska, is
 4 amended to read:
 5 38-2037 (1) In addition to the grounds for disciplinary action found
 6 in sections 38-178 and 38-179, a license to practice medicine and surgery
 7 or osteopathic medicine and surgery or a license to practice as a
 8 physician assistant may be denied, refused renewal, limited, revoked, or
 9 suspended or have other disciplinary measures taken against it in
 10 accordance with section 38-196 when the applicant or licensee fails to
 11 comply with the provisions of section 71-603.01, 71-604, 71-605, or
 12 71-606 relating to the signing of birth and death certificates.
 13 (2)(a) It is the intent of the Legislature to ensure the protection
 14 of the rights under the First Amendment to the Constitution of the United
 15 States for individuals licensed to practice medicine and surgery or
 16 osteopathic medicine and surgery by providing for the public expression
 17 of differing medical opinions and allowing such opinions to be subjected
 18 to the scrutiny of public and professional forums. A license to practice
 19 medicine and surgery or osteopathic medicine and surgery shall not be
 20 subject to any disciplinary measures as a result of an applicant or
 21 licensee expressing an opinion in a public or professional forum.
 22 (b) The expression of an opinion by an applicant or licensee in a
 23 public or professional forum does not include the expression of an
 24 opinion offered in the course of the applicant's or licensee's practice,
 25 including providing services to a patient.
 26 Sec. 2. Original section 38-2037, Reissue Revised Statutes of
 27 Nebraska, is repealed.

LEGISLATIVE BILL 203. Placed on General File with amendment.

[AM611](#)

1 1. Insert the following new section:
 2 Sec. 4. A community-wide directed health measure (1) shall be
 3 subject to approval as provided in sections 71-1630 and 71-1632, (2)
 4 shall expire seven days after the date of issuance, and (3) may be
 5 reauthorized subject to approval as provided in sections 71-1630 and
 6 71-1632.
 7 2. On page 2, line 3, after "71-1636" insert "and section 4 of this
 8 act".
 9 3. Renumber the remaining section accordingly.

LEGISLATIVE BILL 437. Placed on General File with amendment.

[AM659](#)

1 1. Strike the original sections and insert the following new
 2 sections:
 3 Section 1. Section 71-5829.03, Reissue Revised Statutes of Nebraska,
 4 is amended to read:
 5 71-5829.03 Except as provided in section 71-5830.01, no person,
 6 including persons acting for or on behalf of a health care facility,
 7 shall engage in any of the following activities without having first
 8 applied for and received the necessary certificate of need:
 9 (1) The initial establishment of ~~long-term care beds or~~
 10 ~~rehabilitation beds except as permitted under subdivision (3) subdivisions~~
 11 ~~(4) and (5) of this section;~~
 12 (2) ~~An increase in the long-term care beds of a health care facility~~

13 by more than ten long-term care beds or more than ten percent of the
 14 total long-term care bed capacity of such facility, whichever is less,
 15 over a two-year period;
 16 ~~(2)(3)~~ An increase in the rehabilitation beds of a health care
 17 facility by more than ten rehabilitation beds or more than ten percent of
 18 the total rehabilitation bed capacity of such facility, whichever is
 19 less, over a two-year period;
 20 ~~(4)~~ Any initial establishment of long-term care beds through
 21 conversion by a hospital of any type of hospital beds to long-term care
 22 beds if the total beds converted by the hospital are more than ten beds
 23 or more than ten percent of the total bed capacity of such hospital,
 24 whichever is less, over a two-year period;
 25 ~~(3)(5)~~ Any initial establishment of rehabilitation beds through
 26 conversion by a hospital of any type of hospital beds to rehabilitation
 27 beds if the total beds converted by the hospital are more than ten beds
 1 or more than ten percent of the total bed capacity of such hospital,
 2 whichever is less, over a two-year period; or
 3 ~~(4)(6)~~ Any relocation of rehabilitation beds in Nebraska from one
 4 health care facility to another health care facility, except that no
 5 certificate of need is required for relocation or transfer of
 6 rehabilitation beds from a health care facility to another health care
 7 facility owned and operated by the same entity.
 8 Sec. 2. Section 71-5830.01, Reissue Revised Statutes of Nebraska, is
 9 amended to read:
 10 71-5830.01 Notwithstanding any other provisions of the Nebraska
 11 Health Care Certificate of Need Act, a certificate of need is not
 12 required for:
 13 (1) A change in classification between an intermediate care
 14 facility, a nursing facility, or a skilled nursing facility;
 15 (2) A project of a county in which is located a city of the
 16 metropolitan class for which a bond issue has been approved by the
 17 electorate of such county on or after January 1, 1994; and
 18 (3) A project of a federally recognized Indian tribe to be located
 19 on tribal lands within the exterior boundaries of the State of Nebraska
 20 where (a) a determination has been made by the tribe's governing body
 21 that the cultural needs of the tribe's members cannot be adequately met
 22 by existing facilities if such project has been approved by the tribe's
 23 governing body and (b) the tribe has a self-determination agreement in
 24 place with the Indian Health Service of the United States Department of
 25 Health and Human Services so that payment for enrolled members of a
 26 federally recognized Indian tribe who are served at such facility will be
 27 made with one hundred percent federal reimbursement; and
 28 ~~(4)~~ A transfer or relocation of long-term care beds from one
 29 facility to another entity in the same health planning region or any
 30 other health planning region. The receiving entity shall obtain a license
 31 for the transferred or relocated beds within two years after the transfer
 1 or relocation. The department shall grant an extension of such time if
 2 the receiving entity is making progress toward the licensure of such
 3 beds.
 4 Sec. 3. Section 71-5836, Reissue Revised Statutes of Nebraska, is
 5 amended to read:
 6 71-5836 The department, after consulting with appropriate
 7 governmental agencies and affected persons, shall:
 8 (1) Prescribe the form to be used in applying for certificates of
 9 need and for applying for renewal of such certificates. The application
 10 shall contain (a) the name and address of the sponsor, (b) the
 11 anticipated date for placing the beds in service, (c) the location, (d)
 12 the number of new beds, (e) a concise, narrative description of the
 13 project showing the type and description of proposed acute care beds; or
 14 rehabilitation beds, ~~or long-term care beds~~, and (f) the certification

15 and telephone number of a responsible officer; and
 16 (2) By rule and regulation describe and clarify the procedures to be
 17 followed in the review of an application. Such procedures shall be issued
 18 with each application form.
 19 Sec. 4. Section 71-5846, Reissue Revised Statutes of Nebraska, is
 20 amended to read:
 21 71-5846 The department shall make a decision in writing to (1)
 22 approve the application and issue a certificate of need; ~~or~~ (2)
 23 disapprove the application and deny a certificate of need; ~~or (3) if the~~
 24 ~~application is for more long-term care beds than allowed under section~~
 25 ~~71-5829.04, approve the application but issue a certificate of need only~~
 26 ~~for the reduced number of beds that section 71-5829.04 allows. The~~
 27 department shall make its decision within sixty days after the date the
 28 application was received.
 29 Sec. 5. Section 71-5865, Reissue Revised Statutes of Nebraska, is
 30 amended to read:
 31 71-5865 In an appeal of a decision to deny a certificate of need,
 1 the person requesting the appeal shall bear the burden of proving that
 2 the project meets the applicable criteria established in sections
 3 71-5829.03 ~~and~~ 71-5829.06.
 4 Sec. 6. Original sections 71-5829.03, 71-5830.01, 71-5836, 71-5846,
 5 and 71-5865, Reissue Revised Statutes of Nebraska, are repealed.
 6 Sec. 7. The following sections are outright repealed: Sections
 7 71-5803.10, 71-5829.04, and 71-5829.05, Reissue Revised Statutes of
 8 Nebraska.

LEGISLATIVE BILL 676. Placed on General File with amendment.
[AM655](#) is available in the Bill Room.

(Signed) Brian Hardin, Chairperson

Education

LEGISLATIVE BILL 213. Placed on General File with amendment.
[AM645](#)

1 1. Strike original section 3.
 2 2. On page 2, line 24, strike "including" and insert "such as";
 3 strike beginning with "which" in line 27 through "shall" in line 29 and
 4 insert "that"; and in line 29 after the second comma insert "and" and
 5 after "and" insert "any".

(Signed) Dave Murman, Chairperson

Agriculture

LEGISLATIVE BILL 646. Placed on General File with amendment.
[AM638](#) is available in the Bill Room.

(Signed) Barry DeKay, Chairperson

NOTICE OF COMMITTEE HEARING(S)

Business and Labor
 Room 2102 12:00 PM

Tuesday, March 25, 2025

Katie Thurber - Department of Labor

(Signed) Kathleen Kauth, Chairperson

Revenue
Room 1524 1:30 PM

Wednesday, March 26, 2025

LB649

AM 632 amending LB649

Note: LB649 and AM632 will have a combined hearing.

(Signed) R. Brad von Gillern, Chairperson

COMMUNICATION(S)

Received communication to President Kelly, Speaker Arch, and Members of the Legislature from Timothy Tesmer, M.D., Chief Medical Officer, Department of Health and Human Services, regarding the appointment of the following to the Nebraska Stem Cell Research Advisory Committee:

Dr. Rui Yi

Dr. Alysson Muotri.

AMENDMENT(S) - Print in Journal

Senator Storer filed the following amendment to LB80:

[FA44](#)

Strike the enacting clause.

Senator Fredrickson filed the following amendment to LB676:

[FA51](#)

In AM655, Strike Section 1.

Senator M. Cavanaugh filed the following amendments to LB230:

[FA49](#)

Strike Section 1.

[FA50](#)

Strike Section 2.

Senator Sanders filed the following amendment to LB649:

[AM632](#)

1 1. Strike the original sections and insert the following new

2 sections:

3 Section 1. Sections 1 to 19 of this act shall be known and may be

4 cited as the Defense Efforts Workforce Act.

5 Sec. 2. The purpose of the Defense Efforts Workforce Act is to

6 provide incentives to encourage employers to locate their workforce in

7 this state to support military defense efforts and foster the growth of

8 the workforce required to advance global defense communications and

9 technologies.

10 Sec. 3. For purposes of the Defense Efforts Workforce Act, the
11 definitions found in sections 4 to 13 of this act shall be used.

12 Sec. 4. Any term defined in the Nebraska Revenue Act of 1967 has
13 the same meaning in the Defense Efforts Workforce Act unless the context
14 or the express language of the Defense Efforts Workforce Act requires a
15 different meaning.

16 Sec. 5. Base year means the year immediately preceding the year of
17 application.

18 Sec. 6. Full-time employee means with respect to any month, an
19 employee who is employed on average at least thirty hours of service per
20 week.

21 Sec. 7. Nebraska statewide average hourly wage for any year means
22 the most recent statewide average hourly wage paid by all employers in
23 all counties in Nebraska as calculated by the Office of Labor Market
24 Information of the Department of Labor using annual data from the
25 Quarterly Census of Employment and Wages by October 1 of the year prior
26 to application. Hourly wages shall be calculated by dividing the reported
27 average annual weekly wage by forty.

1 Sec. 8. Performance period means the year of application plus the
2 next nine years.

3 Sec. 9. Qualified employee means a person employed by the taxpayer
4 who is (1) a full-time employee, (2) exclusively dedicated to supporting
5 military defense efforts in this state, and (3) paid wages at a rate
6 equal to at least one hundred fifty percent of the Nebraska statewide
7 average hourly wage.

8 Sec. 10. Qualified employer means a taxpayer that:

9 (1) Employs (a) at least ten full-time qualified employees in
10 Nebraska during the base year and (b) at least the same number of full-
11 time qualified employees as were employed in the prior year for each year
12 of the performance period;

13 (2) Pays wages for services rendered (a) at a rate equal to at least
14 one hundred fifty percent of the Nebraska statewide average hourly wage
15 in the base year and (b) at a rate equal to at least one hundred two
16 percent of the prior year wage level during each year of the performance
17 period; and

18 (3) Electronically verifies the work eligibility status of all new
19 qualified employees employed in Nebraska prior to hire during the entire
20 performance period.

21 Sec. 11. Taxpayer means any person subject to sales and use taxes
22 under the Nebraska Revenue Act of 1967 and subject to withholding under
23 section 77-2753 and any entity that is or would otherwise be a member of
24 the same unitary group, if incorporated, that is subject to such sales
25 and use taxes and such withholding. Taxpayer does not include a political
26 subdivision or an organization that is exempt from income taxes under
27 section 501(a) of the Internal Revenue Code of 1986, as amended. For
28 purposes of this section, political subdivision includes any public
29 corporation created for the benefit of a political subdivision and any
30 group of political subdivisions forming a joint public agency, organized
31 by interlocal agreement, or utilizing any other method of joint action.

1 Sec. 12. Wage credit means the credit described in the Defense
2 Efforts Workforce Act.

3 Sec. 13. Year means calendar year.

4 Sec. 14. (1) If a qualified employer has entered into an agreement
5 with the state pursuant to section 15 of this act, the qualified employer
6 shall during each year of the performance period receive the wage credit
7 approved by the Tax Commissioner in the manner provided in the Defense
8 Efforts Workforce Act.

9 (2) The wage credit shall equal five percent of the total
10 compensation paid by the qualified employer in the year to all qualified

11 employees of the qualified employer in Nebraska. The wage credit earned
12 for all qualified employers shall not exceed four million dollars in any
13 year. If two or more qualified employers qualify for benefits in any
14 given year, the one with the earlier approval will be fully funded first.
15 (3) The wage credits shall be allowed for each year in the
16 performance period. Unused credits may carry over and be applied against
17 future state withholdings.
18 (4) The total amount all qualified employers may receive in credits
19 pursuant to the Defense Efforts Workforce Act shall not exceed forty
20 million dollars. If two or more qualified employers qualify for benefits,
21 the one with the earlier approval will be fully funded first. This
22 benefit is in addition to any benefits the qualified employer may
23 otherwise qualify for under the ImagiNE Nebraska Act or may have
24 qualified for previously under the Nebraska Advantage Act, the Employment
25 and Investment Growth Act, or the Key Employer and Jobs Retention Act.
26 (5) The qualified employer may use the wage credit to reduce the
27 qualified employer's income tax withholding employer or payor tax
28 liability under section 77-2756 or 77-2757. To the extent of the credit
29 used, such withholding shall not constitute public funds or state tax
30 revenue and shall not constitute a trust fund or be owned by the state.
31 The use by the qualified employer of the credit shall not change the
1 amount that otherwise would be reported by the qualified employer to the
2 employee under section 77-2754 as income tax withheld and shall not
3 reduce the amount that otherwise would be allowed by the state as a
4 refundable credit on an employee's income tax return as income tax
5 withheld under section 77-2755.
6 Sec. 15. (1) In order for the qualified employer to be eligible for
7 the wage credit, the qualified employer shall file an application for an
8 agreement with the Tax Commissioner.
9 (2) The application shall:
10 (a) State the exact name of the taxpayer and any related companies;
11 (b) Include a description, in detail, of the nature of the company's
12 business, including the products sold and respective markets;
13 (c) Request that the company be considered for approval under the
14 Defense Efforts Workforce Act;
15 (d) Acknowledge that the qualified employer understands and complies
16 with the requirements for verifying the work eligibility status of all
17 new qualified employees;
18 (e) Include a description, in detail, regarding each qualified
19 employee employed during the base year, including employment status and
20 wages paid; and
21 (f) Include a nonrefundable application fee of five thousand
22 dollars. The fee shall be remitted to the State Treasurer for credit to
23 the Nebraska Incentives Fund.
24 (3) Any complete application shall be considered a valid application
25 on the date submitted for the purposes of the Defense Efforts Workforce
26 Act.
27 (4) The application and all supporting information are confidential
28 except for the name of the taxpayer, the number of qualified employees,
29 and whether the application has been approved.
30 (5) The Tax Commissioner shall determine whether to approve the
31 application based upon whether the applicant meets the definition of a
1 qualified employer.
2 (6) The Tax Commissioner shall notify the applicant in writing as to
3 whether the application has been approved or not. The Tax Commissioner
4 shall decide and mail the notice within thirty days after receiving the
5 application, regardless of whether he or she approves or disapproves the
6 application, unless the time is extended by mutual written consent of the
7 Tax Commissioner and the applicant.
8 (7) An application may be approved only if it is consistent with the

9 legislative purposes contained in section 2 of this act.

10 (8) If the application is approved by the Tax Commissioner, the
11 qualified employer and the state shall enter into a written agreement,
12 which shall be executed on behalf of the state by the Tax Commissioner.
13 In the agreement, the qualified employer shall agree to maintain the
14 required level of employment and make the required wage increases, and in
15 consideration of the qualified employer's agreement, the state shall
16 agree to allow the wage credits as provided in the Defense Efforts
17 Workforce Act. The application, and all supporting documentation, to the
18 extent approved, shall be considered a part of the agreement. The
19 agreement may contain such terms and conditions as the Tax Commissioner
20 specifies in order to carry out the legislative purposes of the Defense
21 Efforts Workforce Act. The agreement shall contain provisions to allow
22 the Tax Commissioner to verify that the required levels of employment
23 have been maintained and the appropriate increases in wages have been
24 made.

25 Sec. 16. (1) If the taxpayer fails to maintain the required level
26 of employment and meet the wage requirements through the entire
27 performance period, all or a portion of the wage credits shall be
28 recaptured directly by the state from the taxpayer or shall be
29 disallowed. In no event shall any wage credits be required to be paid
30 back directly or indirectly by the employees. All such credits must be
31 repaid by the taxpayer.

1 (2) The recapture or disallowance shall be as follows:

2 (a) No wage credits shall be allowed, and if already allowed shall
3 be recaptured, for the actual year or years in which the required level
4 of employment was not maintained or the wage requirement was not met;
5 (b) For wage credits allowed in prior years, one-tenth of the
6 credits shall be recaptured from the taxpayer for each year the required
7 level of employment was not maintained or the wage requirement was not
8 met; and

9 (c) For wage credits for future years, one-tenth of the credits
10 shall be disallowed for each year the required level of employment was
11 not maintained or the wage requirement was not met in previous years.

12 (3) Any amounts required to be recaptured shall be deemed to be an
13 underpayment of tax, immediately due and payable, and shall constitute a
14 lien on the assets of the taxpayer. When wage credits were received in
15 more than one year, the credits received in the most recent year shall be
16 recovered first and then the credits received in earlier years shall be
17 recovered up to the extent of the required recapture.

18 (4) Interest shall accrue from the due date for the return for the
19 year in which the taxpayer failed to maintain the required level of
20 employment or meet the required wage level.

21 (5) Penalties shall not accrue until ninety days after the
22 requirement for recapture or disallowance becomes known or should have
23 become known to the taxpayer.

24 (6) The recapture or disallowance required by this section may be
25 waived by the Tax Commissioner if he or she finds the failure to maintain
26 the required level of employment or meet the required wage level was
27 caused by unavoidable circumstances such as an act of God or a national
28 emergency.

29 Sec. 17. (1) The wage credits allowed under the Defense Efforts
30 Workforce Act shall not be transferable except in the following
31 situations:

1 (a) Any credit allowable to a partnership, a limited liability
2 company, a subchapter S corporation, a cooperative, including a
3 cooperative exempt under section 521 of the Internal Revenue Code of
4 1986, as amended, a limited cooperative association, or an estate or
5 trust may be distributed to the partners, members, shareholders, patrons,
6 or beneficiaries in the same manner as income is distributed for use
7 against their income tax liabilities, and such partners, members,

8 shareholders, or beneficiaries shall be deemed to have made an
9 underpayment of their income taxes for any recapture required by section
10 16 of this act. A credit distributed shall be considered a credit used
11 and the partnership, limited liability company, subchapter S corporation,
12 cooperative, including a cooperative exempt under section 521 of the
13 Internal Revenue Code of 1986, as amended, limited cooperative
14 association, estate, or trust shall be liable for any repayment required
15 by section 16 of this act; and
16 (b) The credits previously allowed and future credits may be
17 transferred when an agreement is transferred in its entirety by sale or
18 lease to another taxpayer or in an acquisition of assets qualifying under
19 section 381 of the Internal Revenue Code of 1986, as amended.
20 (2) The acquiring taxpayer, as of the date of notification to the
21 Tax Commissioner of the completed transfer, shall be entitled to any
22 unused credits and to any future credits allowable under the Defense
23 Efforts Workforce Act.
24 (3) The acquiring taxpayer shall be liable for any recapture that
25 becomes due after the date of the transfer for the repayment of any
26 credits received either before or after the transfer.
27 (4) If a taxpayer dies and there is a credit remaining after the
28 filing of the final return for the taxpayer, the personal representative
29 shall determine the distribution of the credit or any remaining carryover
30 with the initial fiduciary return filed for the estate. The determination
31 of the distribution of the credit may be changed only after obtaining the
1 permission of the Tax Commissioner.
2 (5) The Tax Commissioner may disclose information to the acquiring
3 taxpayer about the agreement and prior credits that is reasonably
4 necessary to determine the future credits and liabilities of the
5 taxpayer.
6 Sec. 18. The Tax Commissioner may adopt and promulgate rules and
7 regulations necessary or appropriate to carry out the purposes of the
8 Defense Efforts Workforce Act.
9 Sec. 19. (1) The Department of Revenue shall submit electronically
10 an annual report to the Legislature no later than October 31 of each
11 year. The report shall be on a fiscal year, accrual basis that satisfies
12 the requirements set by the Governmental Accounting Standards Board. The
13 Department of Revenue shall, on or before December 15 of each year,
14 appear at a joint hearing of the Appropriations Committee of the
15 Legislature and the Revenue Committee of the Legislature and present the
16 report. Any supplemental information requested by three or more committee
17 members must be provided within thirty days after the request.
18 (2) The report shall list (a) the agreements which have been signed
19 during the previous calendar year, (b) the agreements which are still in
20 effect, and (c) the identity of each taxpayer that is a party to an
21 agreement.
22 (3) The report shall provide information on agreement-specific total
23 credits used every two years for each agreement. The report shall
24 disclose the identity of the taxpayer and the total credits used during
25 the immediately preceding two years, expressed as a single, aggregated
26 total. The information required to be reported under this subsection
27 shall not be reported for the first year the taxpayer maintains the
28 required employment threshold. The information on first-year credits used
29 shall be combined with and reported as part of the second year.
30 Thereafter, the information on credits used for succeeding years shall be
31 reported for each agreement every two years containing information on two
1 years of credits used.
2 (4) No information shall be provided in the report that is protected
3 by state or federal confidentiality laws.
4 Sec. 20. This act becomes operative on July 1, 2027.

Senator Ibach filed the following amendment to LB646:

[FA52](#)

In AM638, on Page 3, Line 24, strike "2029" and insert "2028" and on Page 3, Line 29, strike "2029" and insert "2028".

MOTION(S) - Print in Journal

Senator DeBoer filed the following motions to [LB340](#):

[MO103](#)

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

[MO104](#)

Bracket until April 30, 2025.

[MO105](#)

Recommit to the Judiciary Committee.

Senator M. Cavanaugh filed the following motion to [LB230](#):

[MO102](#)

Recommit to the Judiciary Committee.

RESOLUTION(S)

LEGISLATIVE RESOLUTION 74. Introduced by Wordekemper, 15.

WHEREAS, the 2025 Nebraska School Activities Association Class C-2 Boys State Basketball Championship was held on March 15, 2025, at Pinnacle Bank Arena in Lincoln, Nebraska; and

WHEREAS, the Archbishop Bergan High School boys basketball team won the 2025 Class C-2 Boys State Basketball Championship; and

WHEREAS, the Archbishop Bergan Knights defeated the Cross County Cougars in the championship game by a score of 53-43; and

WHEREAS, the Archbishop Bergan basketball team finished the season with a record of seventeen wins and nine losses; and

WHEREAS, such a team achievement is made possible through the support of parents, teachers, administrators, classmates, and the community; and

WHEREAS, the Legislature recognizes the academic, athletic, and artistic achievements of the youth of our state.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED NINTH LEGISLATURE OF NEBRASKA, FIRST SESSION:

1. That the Legislature congratulates the Archbishop Bergan High School boys basketball team on winning the 2025 Class C-2 Boys State Basketball Championship.

2. That a copy of this resolution be sent to the Archbishop Bergan High School boys basketball team.

Laid over.

LEGISLATIVE RESOLUTION 75. Introduced by Sanders, 45.

WHEREAS, Ryan Daniel Sims was born on January 8, 2009; and

WHEREAS, Ryan enjoyed spending time with his family, listening to his favorite music, celebrating at birthday parties, and eating delicious cake; and

WHEREAS, Ryan was a light to all those around him. His empathy, love, and care for people was cherished by those he loved and will not be forgotten; and

WHEREAS, Ryan passed away March 8, 2025, at the age of sixteen; and

WHEREAS, Ryan is survived by his loving parents, Garret and Kristine; brothers, Charlie and Joe; and grandparents, Carol and Chuck Paskach and Mary Jean Sims.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED NINTH LEGISLATURE OF NEBRASKA, FIRST SESSION:

1. That the Legislature express condolences to the family of Ryan Daniel Sims.
2. That a copy of this resolution be sent to the family of Ryan Daniel Sims.

Laid over.

WITHDRAW - Cointroducer(s)

Senator Sorrentino name withdrawn from LB290.

VISITOR(S)

Visitors to the Chamber were students from Mead Elementary School, Mead; Henry NyGrin; Grayder Girmus; students from Platte Valley Christian School, Ogallala; students from TeenPact Leadership Schools, Lincoln; students from Sutton Elementary, Sutton; Leadership Bellevue; members of York County Farm Bureau.

ADJOURNMENT

At 11:56 a.m., on a motion by Senator Sanders, the Legislature adjourned until 9:00 a.m., Wednesday, March 19, 2025.

Brandon Metzler
Clerk of the Legislature

