Memorandum

Date:

April 15, 2023

To:

Board of Directors

From:

Kristen Hassebrook, Mueller Robak

Subject

Legislative Update

LPSNRD Legislative Update:

- Filibustering of most bills continues this month at the Nebraska Legislature. As a result, and in recognition of the limited time remaining senators and committees have begun to put together large packages of bills that could advance together. Some of these packages have more than 20 bills included.
- Friday April 14th was day 62 for the Legislature and they had not passed a single piece of legislation upon adjournment. This sets a new **record** for the slowest session which had previously only been 41 days before the first bill passed.
- Lincoln Senator Suzanne Geist resigned from her seat in order to focus on her City of Lincoln Mayoral race. Governor Jim Pillen appointed Carolyn Bosn to fill the seat. Senator Bosn is an attorney from Lincoln.
- A final recommended budget from the Appropriations committee is continuing to come together. That is expected to come out in the next several weeks and debate on the budget will begin in early May most likely.
- Some budget items of interest this month:
 - The Appropriations committee did approve the transfer of funds from the Nebraska Environmental Trust Fund Cash Fund to the Water Resources Cash Fund. Organizations continue to provide feedback on this decision.

- The Appropriations committee gave initial approval for \$180 million in support of the Lincoln Water 2.0 project. The funding for this would come from federal ARPA funds. LPSNRD testimony and perspective about how impactful this project will be for the greater southeast Nebraska region, rural communities and agriculture was key in garnering the support necessary for this initial approval.
- Other bills of interest this month:
 - LB218 which would provide funding for the Noxious Weed and Invasive Species Assistance Fund is likely to be amended into LB116 the Agriculture committee priority package of bills.
 - LB281 which would provide funding to assist with the replacement of the youth outdoor education camp facility at Halsey is likely to be amended into LB425 the Natural Resources committee priority package of bills.

Kristen Hassebrook

Enc. 1 (Mueller / Robak Weekly Update)

pc: Corey Wasserburger Steve Seglin



Nebraska Legislative Weekly Update



Above the Fold

This week the Legislature started off floor debate with some simpler budget bills – <u>legislative salaries</u>, <u>constitutional officer salaries</u>, <u>judges' salaries</u> and the <u>state</u> <u>claims bill</u>. From there though they pivoted back to much more controversial legislation. A bill that would <u>restrict abortions after</u> <u>6 weeks</u> advanced first round, general file, debate with 33 votes in favor and 16 against.

After an interesting afternoon of procedural negotiations and substantial delay in debate, a bill that would prohibit gender altering medical care for minors advanced in its original form from second round to third and final round of debate with 33 votes in favor and 16 against. A substantial amount of floor debate had focused on a proposed amendment that would have limited the restrictions to only surgical procedures; however, that amendment failed on a vote of 11 to 28.

Also, advancing through second round debate was a bill that <u>would provide up to</u> \$100 million annually in tax credits to individuals who make donations in support of scholarships for students to attend private schools. That bill, LB753, was amended just slightly during debate to clarify that unused scholarship funds would be transferred to other scholarship granting organizations or redirected to the state general fund; and that there would be an evaluation of the opportunity scholarship program after three years. The amendment was adopted 41 to 0 and the bill advanced with 33 votes in favor and 11 against.

Below the Fold

Senators debated and advanced through first round debate LB531 on a 30 to 0 vote. That bill is focused on appropriating funds for the Economic Recovery Act in support of qualified census tracts across the state, but predominately north and south Omaha. The bill directs the funds to be spent on projects approved in the coordinated plan published this fall, but also made some additional adjustments:

- Increasing the total appropriated funds for the Economic Recovery

 Act from \$250 million to \$365 million and directing \$20 million for
 a museum dedicated to Malcom X, \$20 million for federally qualified
 health centers in Omaha and \$15 million for contract management.
- Appropriating \$15 million to the Shovel-Ready Capital Recovery and Investment Fund to provide a grant to an entity constructing a wastewater system. This was originally part of LB769 which sought funding support for a sewer system update in Sarpy County.
- Increasing the grant cap for the development of an airport business park in Omaha from \$60 million to \$100 million.
- Authorizing \$180 million grant to the city of Lincoln to fund a wastewater treatment plant, land acquisition, wellfields, permitting, etc.

Another bill getting first round approval this week was LB565 that will <u>support Nebraska</u>'s federal application to be designated a regional clean hydrogen hub. That bill was amended to also include three other provisions, one of which would allow the Department of Natural Resources to use public-private partnerships and design-build, progressive design-build and construction manager-general contractor project methods when contracting for water projects. A large focus for this authority is the state's project to construct the Perkins County Canal in southwest Nebraska and parts of Colorado. In parallel to the bill's effort Governor Pillen announced this week that <u>Nebraska</u>. <u>Iowa and Missouri will be submitting a joint application</u> to create a Clean Hydrogen Hub.

Behind the Scenes

Working diligently in the background the Appropriations Committee has begun to discuss and give initial approval on spending proposals outside of state agency requests. Receiving the nod include \$80 million in Medicaid provider rate increases to a variety of health care providers including hospitals, doctors, dentists, child welfare and development disability providers, among others. This equates to a 3% next fiscal year and 2% the following fiscal year increase in Medicaid provider rates. A 2.5% increase for the University of Nebraska; the University had requested 3% and Governor Pillen recommended 2%. And \$350 million for a new Nebraska state prison.

In the News

Some more details emerging on how Nebraska might enact voter ID legislation. Wondering how the property tax relief bills being considered this year will hit your pocketbook?