

Nebraska Association of County Officials Legislative Report



February 1, 2008

Inheritance Tax Proposal set for Feb. 13 Hearing

Despite a lack of data on the changes made by last year's inheritance tax legislation, a bill has been introduced that would reduce the amount of inheritance taxes paid by certain beneficiaries. **LB 913** would reduce inheritance taxes paid by aunts, uncles, nieces and nephews to 10 percent of the value of the property in excess of \$15,000. Last year's legislation set the tax at 13 percent on amounts in excess of \$15,000, effective Sept. 1, 2007. The Revenue Committee will take public testimony on the bill on Wednesday, Feb. 13 at 1:30 p.m. in Room 1524 of the State Capitol. NACO opposes LB 913.

At the same hearing, the committee will also take testimony on two bills that would exempt the first \$25,000 of a home's value from property tax. **LB 732** would provide the exemption for single-family residential property and would require the passage of a constitutional amendment, **LR 220CA**. **LB 733** revises existing homestead exemption laws that reimburse counties and other local governments for property tax reductions granted to the elderly, disabled, and veterans. **LR 230CA** would create a homestead exemption on the increased value of a residence

owned by persons over 65 years of age who have an income of less than \$40,000. **LB 1026** would exempt real and personal property in which a housing agency has an interest from all taxes and special assessments of counties, cities, the state or any public agencies.

On Feb. 20, the Revenue Committee will hear a bill to require counties that have transferred the assessment function to the state to reassume the office by July 1, 2011 (**LB 1008**). Other bills set for hearing that day would change the membership on the Tax Equalization and Review Commission (**LB 1111**) and replace it with a tax court (**LB 1110**). A constitutional amendment, **LR 231CA**, that would replace the Commission, was withdrawn. **LB 1039** would create a task force to develop an income approach for valuing ag land. **LB 1118** would require governing bodies to file a statement noting the amount that would be raised if a proposed levy was applied to the prior year's valuation.

Jail Reimbursement Prioritized by Sen. Aguilar

A bill to remove the statutory cap on state appropriations for jail reimbursement, **LB 587**, was prioritized by Sen. Ray Aguilar this week. Existing law prohibits the state from allocating more than \$3.91 million annually to reimburse counties for holding state prisoners. Although removal of the cap would not

guarantee that counties would be fully reimbursed, it would give the state the ability to appropriate an amount nearer to the \$8 million that counties were owed last year. Senator Abbie Cornett introduced the bill last year. The bill is in the Appropriations Committee.

One-Stop Motor Vehicle Bill Killed

A proposal to require all counties to complete motor vehicle titling, registration and other transactions in a single county office has been killed by the Transportation and Telecommunications Committee. **LB 910** was one of five motor vehicle bills heard on Monday. The others, including two NACO bills and a bill to allow dealers to participate in registering vehicles (**LB 709**), remain in committee.

On Feb. 4, the committee will take testimony on a bill to allow dealers to use additional reassignment forms, **LB 841**, and a

measure to implement REAL ID. **LB 911** proposes 27 DMV regional service centers and central issuance of drivers licenses and state IDs.

Tree trimming and mowing of county right of way will be discussed on Feb. 11. Sen. Lavon Heidemann introduced language in **LB 1051** that is identical to wording proposed by NACO in 2006. The bill would change the dates for landowners to mow ditches and increase the height to which trees must be trimmed from 8 to 15 feet to accommodate larger vehicles.

Selected Hearing Schedule for the Week of Feb. 4 and Following

The following is a list of some of the bills with county impact that have been scheduled for public hearing in coming weeks. Not all committees have completed scheduling the bills assigned to them. The Legislature publishes a complete schedule of hearings for the upcoming week each Friday. Please check the Legislature's website for the full listing. Hearings will conclude on Feb. 28 and full days of debate will begin on March 4.

Monday, February 4

Education

Room 1525 - 1:30 p.m.

- LB977 Provide for freeholders' petitions relating to school districts which exceed certain levy limitations

Transportation and Telecommunications

Room 1113 - 1:30 p.m.

- LB1087 Change proof of ownership requirements pending motor vehicle registration
- LB841 Change motor vehicle certificate of title provisions
- LB911 Provide for REAL ID operator's licenses and state identification cards

Tuesday, February 5

Agriculture

Room 2102 - 1:30 p.m.

- LB751 Change noxious weed funding provisions relating to stream vegetation removal
- LB862 Change noxious weeds funding provisions

Transportation and Telecommunications

Room 1113 - 1:30 p.m.

- LB917 Provide an exception to vehicle weight limits for idle reduction technology
- LB919 Change the Motor Vehicle Registration Act
- LB867 Provide that vehicles removed from private property under a municipal ordinance are abandoned

Banking, Commerce and Insurance

Room 1507 - 1:30 p.m.

- LB734 Change employee benefit plan provisions for certain political subdivisions

Wednesday, February 6

Judiciary

Room 1113 - 1:30 p.m.

- LB1085 Change Parenting Act and other domestic relations provisions
- LB816 Change the number of district court judges
- LB1014 Change provisions relating to judicial vacancies and judicial resources

Thursday, February 7

Government, Military and Veterans Affairs

Room 1507 - 1:30 p.m.

- LB838 Change procedures relating to elections

(Thursday, February 7 con't.)

- LB858 Change applicability provisions regarding recall petitions
- LB878 Change provisions relating to recall petitions
- LB1067 Change provisions allocating election costs to political subdivisions

Wednesday, February 13

Revenue

Room 1524 - 1:30 p.m.

- LB1026 Change tax-exempt status of housing agency property
- LR230CA Constitutional amendment to permit exemption of the increased value of a homestead from taxation
- LB732 Exempt first \$25,000 of residential property values from taxation
- LB733 Create a homestead exemption
- LR220CA Constitutional amendment to authorize different property tax treatment of residential property
- LB913 Change inheritance tax provisions

Judiciary

Room 1113 - 1:30 p.m.

- LB1167 Provide for a statewide 24/7 sobriety program
- LB1055 Change provisions relating to dangerous dogs and dogs running at large

Government, Military and Veterans Affairs

Room 1507 - 1:30 p.m.

- LB962 Change public body meeting provisions of the Open Meetings Act

Thursday, February 14

Judiciary

Room 1113 - 1:30 p.m.

- LB1107 Provide for problem-solving courts
- LB1159 Change provisions relating to truancy and parenting plans, authorize citations issued to parents, and provide for mediation
- LB1130 Provide for the merger of adult probation and parole services

Government, Military and Veterans Affairs

Room 1507 - 1:30 p.m.

- LB927 Change factors favoring the change of county boundaries
- LB889 Provide construction alternatives for political subdivisions