

March 29, 2019

The legislature adjourned Thursday for a long, four-day weekend. Having completed the committee hearing process, lawmakers will commence full-day floor debate on legislation when they reconvene next Tuesday.

STATE PROMOTES CONTINUED FUNDING OF EVERFI PROGRAM

The Appropriations Committee took up the budget request of the State Treasurer's office on Wednesday afternoon. The State Treasurer has requested continuation of \$150,000 in annual funding for his office's partnership with the EverFi web-based educational training program. With a number of NBA member banks separately sponsoring the EverFi program in their local schools, the NBA provided testimony in support of the State Treasurer's budget request.

EDUCATION SAVINGS PLAN TRUST BILLS ADVANCE

The following bills, supported by the NBA, that would enhance and modernize the Nebraska Education Savings Plan Trust, have been advanced to General File and designated as individual senator priority bills.

LB 470 – Education Savings Plan Trust: Senator Andrew La Grone (Gretna) has designated LB 470 as his individual priority bill. As amended, LB 470 would provide a tax deduction for nonparticipant contributions eliminating the requirement that every contributor must open their own Nebraska Education Savings Plan Trust (NEST) account for the same beneficiary in order to claim a deduction. The bill would further authorize employers to make contributions to NEST accounts owned by an employee and allow the employee/owner of the NEST account to deduct contributions made by the employer. An employer making such a contribution would not be eligible to claim a deduction as a “nonparticipant.”

LB 610 – Nebraska Educational Savings Plan Trust: Senator Brett Lindstrom (Omaha), has designated LB 610 as his individual priority bill. The bill would provide employers, beginning on January 1, 2022, with an “incentive payment” from the State Treasurer's office equal to 25 percent of contributions to a college savings account that matches an employee contribution for the same taxable year, not to exceed \$2,000 per employee. As amended, the bill establishes a cap of \$250,000 per year in incentive payments.

TIF EXPANSION BILL STALLS

The legislature debated LR 14CA this week, a proposed constitutional amendment, that would, if approved by the legislature and Nebraska voters, extend tax increment financing (TIF) benefits from 15 to 20 years if more than 50 percent of the project area is designated as “extremely blighted.” Under current law, an “extremely blighted” area is defined as a census tract with an average unemployment rate that is at least 200 percent of the state unemployment rate and an average poverty rate of more than 20 percent.

Opponents of the legislation extended debate for three hours over two morning sessions and the bill was removed from the agenda. Pursuant to legislative protocol, supporters of the measure will need to demonstrate sufficient support (33 votes) for a cloture motion prior to the bill being placed back on the legislative agenda.