

 **NEBRASKA CHAMBER**
OF COMMERCE & INDUSTRY

Results For Business



What passed. What didn't.

A review of noteworthy legislation of 2019.



— 2019 NEBRASKA LEGISLATURE —

Senator Andrew LaGrone (top left) discusses progress on economic incentives with the Nebraska Chamber legislative team.



Cover photo courtesy of the "Nebraska Unicameral Information Office"

After more than a century as the voice of Nebraska business, the Nebraska Chamber of Commerce & Industry has learned to appreciate progress each year. We never take our eye off our primary goal: promoting big ideas that keep Nebraska businesses successful, competitive and growing.

With tax reform, property tax and economic incentives first on the to-do list for 2020, the Nebraska Chamber is proud to report success in pursuing a strong business agenda through 2019.

This session brought some notable achievements, including Chamber-supported policies to:

- ✓ provide in-state tuition to military service men and women;
- ✓ allow early childhood education and facilities to receive local sales tax support;
- ✓ require online sellers not physically located in Nebraska to collect state sales tax;
- ✓ create a tax credit for employers contributing to employee college savings plans; and
- ✓ restore 1031 property tax exchange benefits to the Nebraska tax code.

The Nebraska Chamber worked equally as hard to defeat or amend proposals that threaten the competitiveness of our state's businesses and manufacturers, including:

- ✗ opposing tax shift proposals that expand sales tax, without the guarantee of reducing property taxes and without addressing Nebraska's high income tax rate;
- ✗ amending proposed employment laws to ensure such measures protect business privacy and financial interests and impose no more than federal requirements; and
- ✗ opposing increases in income taxes.

Just a half-block from the Capitol, the Nebraska Chamber of Commerce & Industry stands ready to advocate for its members and for economic growth at a moment's notice – during bill drafting and committee hearings, through floor debate and bill signings, and throughout regulatory implementation – because strong businesses make strong communities.

Key:

Chamber
SUPPORTEDChamber
OPPOSEDChamber **NEUTRAL**
after amendment.

— TAXATION —

	Sales Tax Collection for Online Purchases LB284 *	PASSED & SIGNED	Requires online sellers or online marketplace facilitators not physically located in Nebraska to collect and remit sales tax to the State of Nebraska from purchases. <i>(Sponsor: Senator John McCollister, Omaha)</i>
	Adjusted Basis Fix for Equipment Exchange LB663 *	PASSED & SIGNED	Reinstates the personal property 1031 exchange tax benefit when a business or agricultural producer is selling and buying property. They can report the transaction using the federal tax basis as Nebraska adjusted basis rather than net book value. <i>(Sponsor: Senator Curt Friesen, Henderson)</i>
	Income and Property Tax Relief LB615	HELD IN COMMITTEE	Requires \$500 million minimum Cash Reserve Fund; then offers 1:1 property and income tax relief through the property tax relief fund and income tax rate reductions. <i>(Sponsor: Senator Mike Hilgers, Lincoln, at the request of the Nebraska Chamber.)</i>
	Production Deduction Fix for Manufacturers LB664	HELD IN COMMITTEE	Reinstates domestic production activities deduction (DPAD) for income derived from manufacturing, mining, construction and other production businesses. <i>(Sponsor: Senator Curt Friesen, Henderson, at the request of the Nebraska Chamber.)</i>
	Tax Shift and Sales Tax Expansion LB289, LB183	HELD ON FLOOR	Eliminates sales tax exemptions, increases sales tax and increases the overall tax burden on Nebraskans in an effort to lower property tax rates. <i>(Sponsors: Revenue Committee, Senator Tom Briese, Albion)</i>
	Increase Income Tax Rate LB50	HELD IN COMMITTEE	Increases income tax rate from 6.84% to 7.84% for individuals and businesses (pass-through entities) earning over \$100,000 a year, and adds surtax on income over \$1 million. <i>(Sponsor: Senator Tony Vargas, Omaha)</i>
	Eliminate Sub-S/LLC Apportionment Rule LB276	HELD IN COMMITTEE	Requires S-Corporations and limited liability companies to pay income taxes, both on earnings generated in Nebraska and in other states, by eliminating the apportionment rule. <i>(Sponsor: Senator John McCollister, Omaha)</i>

— WORKFORCE & HOUSING —

	Resident College Tuition for Military Service LB122 *	PASSED & SIGNED	Allows veterans or active duty personnel and their families to attend Nebraska higher education institutions at in-state tuition rates with a demonstrated intent to become a Nebraska resident. <i>(Sponsor: Senator Sue Crawford, Bellevue)</i>
	College Savings Employer Tax Credit LB610 *	PASSED & SIGNED	Creates a tax credit for employers contributing to an employee's college savings plan up to 25% of the matching contribution or a maximum of \$2,000 per employee (\$250,000 cap per employer). <i>(Sponsor: Senator Brett Lindstrom, Omaha)</i>




— LABOR LAW —

	Minimum Wage COLA LB383	HELD IN COMMITTEE	Requires annual minimum wage increases equaling Nebraska's five-year average Consumer Price Index, exceeding federal requirements. <i>(Sponsor: Senator Dan Quick, Grand Island)</i>
	Workers' Compensation Temporary Disability LB526	HELD IN COMMITTEE	Extends temporary disability compensation until either permanent disability is established or 30 days after the employee receives notice, whichever comes last. The bill significantly impacts premium increases for employers. <i>(Sponsor: Senator Mike McDonnell, Omaha)</i>





Nebraska Chamber President Bryan Slone and Governor Pete Ricketts celebrated National Manufacturing Day at Brehmer Manufacturing in Lyons. The company had a ribbon cutting for a \$900,000 expansion.



— LABOR LAW — Continued

	Wage Disclosure Anti-Retaliation LB217 *	PASSED AND SIGNED WITH CHAMBER SUPPORTED AMENDMENT	Protects employees from discharge or retaliation for requesting or disclosing wage information related to equal-pay-for-equal-work standards. A Chamber-supported amendment ensures provisions fall within existing federal and state laws and protect proprietary information and trade secrets. <i>(Sponsor: Senator Patty Pansing-Brooks, Lincoln)</i>
	Wage Payment and Collection Citations LB362	HELD IN COMMITTEE	Requires payment of unpaid wages when the Department of Labor has issued a citation under the Wage Payment and Collection Act, rather than when a court requires it under due process. <i>(Sponsor: Senator Matt Hansen, Lincoln)</i>
	Paid Leave Mandates LB305, LB311	HELD ON FLOOR	Creates new state mandates for employers to provide leave for illness, domestic violence or abuse, personal illness, childbirth, adoption or foster care, or care for sick family members, exceeding federal requirements. LB311 creates an employer-funded paid family leave program based on 1% of payroll. <i>(Sponsor: Senator Sue Crawford, Bellevue)</i>

— ECONOMIC DEVELOPMENT —

	Early Childhood Infrastructure Support LB160 *	PASSED & SIGNED	Adds early childhood facilities, infrastructure, care and education to the list of acceptable uses for local sales taxes raised under the Local Option Municipal Economic Development Act. <i>(Sponsor: Senator Dan Quick, Grand Island)</i>
	Business Innovation Investment LB334	PASSED & SIGNED	Provides ongoing funding for the Business Innovation Act starting in 2023. The program supports start-up businesses by providing early capital in the form of grants, research, commercialization, training and loans. <i>(Sponsor: Senator John Stinner, Gering)</i>
	Extend Economic Incentives LB720 *	HELD ON FLOOR	Modernizes and improves the state's primary economic incentives program through 2030 by encouraging more strategic investments, better paying jobs, more transparency and reporting, and acceleration and flexibility of benefits. <i>(Sponsor: Senator Mark Kolterman, Seward)</i>
	Reduce scope and longevity of economic incentives - LB413, LB417, LB419, LB724	HELD IN COMMITTEE	Reduces qualification or benefit periods of existing economic incentive programs; reduces availability of benefits; restricts eligibility for the programs. <i>(Sponsors: Senators Tom Brandt, Plymouth; Curt Friesen, Henderson; Kate Bolz, Lincoln; Tony Vargas, Omaha)</i>

* Track how your senator voted on the bills in red using the 2019 Legislative Voting Record found on page 5.

2019 LEGISLATIVE VOTING RECORDS

As a service to its members, the Nebraska Chamber reports the votes of state senators on legislation that supports a strong Nebraska business climate and grows our state economy.

Senator	LB122	LB160	LB217 Amendment	LB284	LB610	LB663	LB720 Cloture
Joni Albrecht	For	Against	Excused - NV	For	For	For	Against
John Arch	For	For	Excused - NV	For	For	For	For
Carol Blood	For	For	For	For	For	For	For
Kate Bolz	For	For	Present - NV	For	For	For	For
Bruce Bostelman	For	Against	For	For	For	For	Against
Tom Brandt	For	For	For	For	For	For	Against
Tom Brewer	For	Present - NV	For	For	Excused - NV	For	Excused - NV
Tom Briese	For	For	For	For	For	For	Against
Machaela Cavanaugh	For	For	For	For	For	For	Against
Ernie Chambers	Excused - NV	For	For	For	For	For	Against
Robert Clements	For	Against	For	For	For	For	For
Sue Crawford	For	For	For	For	For	For	For
Wendy DeBoer	For	Excused - NV	For	Excused - NV	For	For	For
Myron Dorn	For	For	For	For	For	For	Against
Steve Erdman	For	Against	Present - NV	For	For	For	Against
Curt Friesen	For	For	For	For	For	For	Against
Suzanne Geist	For	For	For	For	For	For	For
Tim Gragert	For	For	For	For	For	For	Against
Mike Groene	For	For	For	For	For	For	Against
Steve Halloran	Excused - NV	Against	Present - NV	For	For	Excused - NV	Against
Ben Hansen	For	Present - NV	Excused - NV	For	For	For	For
Matt Hansen	For	For	For	For	For	Excused - NV	For
Mike Hilgers	For	For	Excused - NV	Present - NV	For	Present - NV	For
Robert Hilkemann	For	For	Excused - NV	For	For	For	For
Sara Howard	For	For	Excused - NV	For	For	For	For
Dan Hughes	For	For	For	For	For	For	Against
Megan Hunt	For	For	Present - NV	For	For	For	Against
Rick Kolowski	For	For	For	For	For	For	For
Mark Kolterman	For	For	For	For	For	For	For
Andrew La Grone	For	For	For	Present - NV	For	For	For
Steve Lathrop	Excused - NV	For	Present - NV	For	For	For	For
Brett Lindstrom	For	For	Present - NV	For	For	Excused - NV	For
Lou Ann Linehan	For	For	For	For	For	For	For
John Lowe	For	Against	For	For	For	For	For
John McCollister	For	For	Excused - NV	For	For	For	For
Mike McDonnell	For	For	Excused - NV	For	For	For	For
Adam Morfeld	For	For	Present - NV	For	For	For	Against
Mike Moser	For	Excused - NV	For	Excused - NV	For	For	For
Dave Murman	For	Against	Excused - NV	For	For	For	Against
Patty Pansing Brooks	For	For	For	For	For	For	For
Dan Quick	For	For	For	For	For	For	For
Jim Scheer	Excused - NV	Excused - NV	For	Excused - NV	For	For	Against
Julie Slama	For	For	For	For	For	For	Against
John Stinner	Present - NV	For	Excused - NV	For	For	For	For
Tony Vargas	Excused - NV	For	Present - NV	For	For	For	For
Lynne Walz	Present - NV	Excused - NV	Present - NV	Excused - NV	For	For	For
Justin Wayne	Excused - NV	For	For	For	For	Excused - NV	For
Matt Williams	For	For	Excused - NV	For	For	For	For
Anna Wishart	For	For	Present - NV	For	For	For	For

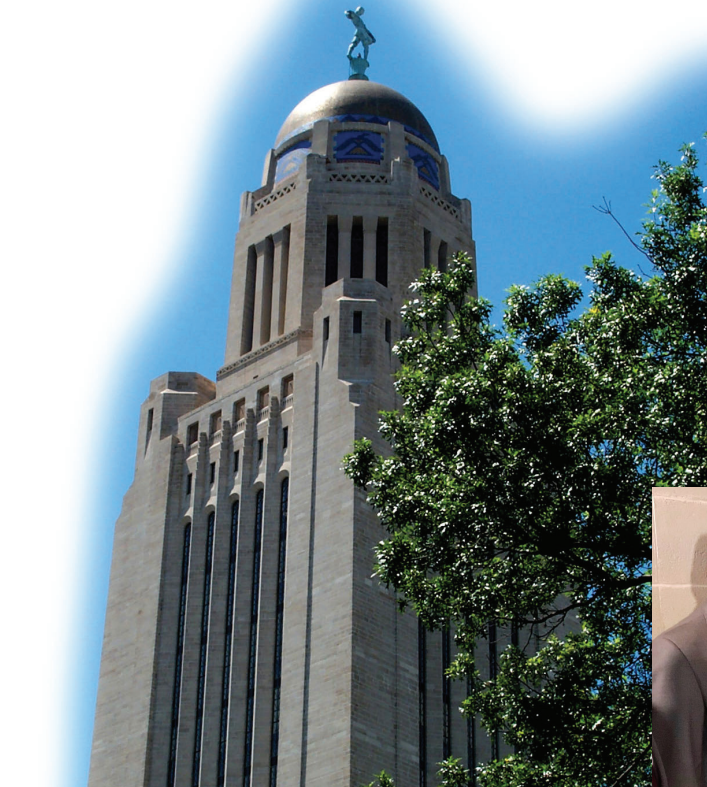
KEY: ■ For State Chamber Policy ■ Against State Chamber Policy
■ Excused - NV, Did Not Vote ■ Present - NV, Did Not Vote

MISSION

For more than a century, the Nebraska Chamber of Commerce & Industry has served as the voice of Nebraska's business community to state and federal policymakers. As the only statewide, broad-based business and industry association, it represents more than 1,000 companies, with 330,000 employees.

As members, our shared goals bring us together.

- ▶ Enhance the competitiveness of Nebraska's business and entrepreneurial community.
- ▶ Grow our state's economy.
- ▶ Strengthen our communities.
- ▶ Expand opportunities for Nebraska residents.



President Bryan Slone (far left) and General Counsel Ron Sedlacek (far right) gather with the Chairs of Banking, Appropriations and Retirement Committees (Senators Matt Williams, John Stinner and Mark Kolterman, respectively).

OUR SERVICE

The Nebraska Chamber of Commerce & Industry is the watchdog of Nebraska business, with full-time lobbyists monitoring and influencing both state and federal policy discussions. The organization alerts members in real-time to policies and regulations that could impact their ability to operate and grow in Nebraska.

The Nebraska Chamber is affiliated with the U.S. Chamber of Commerce and National Association of Manufacturers.



Sen. Mike Hilgers (center) of Lincoln introduced LB615 at the request of the Chamber to reduce overall tax burden on Nebraskans. He stands with former Board Chair Rich Herink and President Bryan Slone.

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