

ONE HUNDRED EIGHTH LEGISLATURE - SECOND SESSION - 2024
COMMITTEE STATEMENT
LB1358

Hearing Date: Wednesday February 07, 2024
Committee On: Government, Military and Veterans Affairs
Introducer: McDonnell
One Liner: Require approval of the registered voters to increase salaries of governing bodies of political subdivisions as prescribed

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:
Aye: 6 Senators Aguilar, Brewer, Conrad, Halloran, Lowe, Sanders
Nay:
Absent: 2 Senators Hunt, Raybould
Present Not Voting:

Testimony:

Proponents:

Senator Mike McDonnell
Rick Kubat

Representing:

Opening Presenter
Metropolitan Utilities District (MUD), Omaha Public Power District (OPPD), Nebraska Public Power District (NPPD), Central Nebraska Public Power District and Nebraska Rural Electric Association (NREA)

Opponents:

Beth Bazyn Ferrell

Representing:

Nebraska Association of County Officials (NACO)

Neutral:

Lynn Rex

Representing:

League of Nebraska Municipalities

* ADA Accommodation Written Testimony

Summary of purpose and/or changes:

The first section of the bill states legislative intent relating to salaries of governing bodies. It proposes requiring a vote of the residents of that political subdivision in order to adopt any pay increase in excess of the increase in cost of living since the last increase.

The second section of the bill directs the Government, Military and Veterans Affairs Committee to draft further legislation to accomplish these contemplated goals in accordance with Article III, section 14 of the Constitution of Nebraska.



Explanation of amendments:

AM 2755

The committee amendment strikes all original sections of the bill and replaces them in their entirety. It provides generally that that city council members in cities of the metropolitan and primary classes may not increase their salaries or the salary of the mayor in excess of inflation as calculated by the Consumer Price Index plus one percent. City councils would be able to raise such salaries in excess of this limit only with a public hearing, a two-thirds vote of the council, and approval of the voters in that city. Salaries could not be raised any more frequently than once every two fiscal years. A similar limitation and process would also be mandated for metropolitan utility districts and counties. Finally, the amendment would provide maximum salary levels for directors of public power districts.

Sections 1 and 2 excludes mayor and city council salary increases in a city of the metropolitan class from an exception that would otherwise allow them to be passed within a week after introduction.

Section 3 contains the salary increase cap and procedures required to exceed that cap with respect to cities of the metropolitan class.

Section 4 contains the salary increase cap and procedures required to exceed that cap with respect to metropolitan utility districts.

Section 5 contains the salary increase cap and procedures required to exceed that cap with respect to cities of the primary class.

Section 6 contains the salary increase cap and procedures required to exceed that cap with respect to cities under a commission plan of government if such cities are of the metropolitan or primary classes.

Section 7 contains the salary increase cap and procedures required to exceed that cap with respect to cities under a city manager plan of government.

Section 8 contains the salary increase cap and procedures required to exceed that cap with respect to counties.

Section 9 contains harmonizing changes relating to county officers.

Section 10 contains salary caps for directors of public power districts. For districts with gross revenue of less than \$500 million, the maximum salary for directors would be \$13,440 and for the president would be \$15,120. For districts with gross revenue of \$500 million or more the maximum salary for directors would be \$26,880 and for the president would be \$30,240.

Section 11 contains the repealer.

Tom Brewer, Chairperson

