

Transcript Prepared by Clerk of the Legislature Transcribers Office

Revenue Committee January 21, 2022

Rough Draft

**LINDSTROM:** OK, since we're sensitive to everybody's time, we'll have senators kind of trickle in here, but we'll get the formality of the opening out of the way. I appreciate everyone coming today. Welcome to the Revenue Committee public hearing. My name is Brett Lindstrom, serve as Vice Chair of the committee. I'm from Omaha and represent District 18. The committee will take up the bills in the order posted outside the hearing room. The list will be updated after each hearing to identify which bill is currently being heard. Our hearing today is your public part of the legislative process. This is your opportunity to express your position on the proposed legislation before us today. We do ask that you limit or eliminate handouts. This is important note, if you are unable to attend the public hearing and would like your position stated for the record, you must submit your position and any comments using the Legislature's online database by 12:00 p.m. the day prior to the hearing. Letters emailed to the senator or staff members will not be a part of the permanent record. You must use the online database in order to become part of the permanent record. To better facilitate today's proceedings, I ask that you abide by the following procedures. Please turn off cell phones and other electronic devices. The other-- order of testimony will be introducer, proponents, opponents, neutral, and closing remarks. If you'll be testifying, please complete the green form and hand it to the committee clerk when you come up to testify. If you do have written materials that you would like to be distributed to the committee, please hand them to the page to distribute. We will need 11 copies for all committee members and staff. If you need additional copies, please ask a page to make copies for you now. When you begin to testify, please state and spell your name for the record. Please be concise. It is my request that you limit your testimony to five minutes. We will use the light system so we'll have-- it'll be on green, when there's one minute left, it'll turn yellow. And then when it's red, please wrap up your statements. If there are-- looks like we got a pretty-- shouldn't be too busy so I'll skip that part. If your remarks were reflected in previous testimony, or if you would like your position to be known but do not wish to testify, please sign the white form at the back of the room and it will be included in the official record. Please speak directly into the microphone so our transcribers are able to hear your testimony clearly. I will introduce the committee staff, to my left is legal counsel Mary Jane Egr Edson. To my further left is research analyst Kay Bergquist. On the far left there, committee clerk is Grant Latimer. And we will have the senators introduce themselves starting at my right.

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Revenue Committee January 21, 2022

Rough Draft

**FRIESEN:** Curt Friesen, District 34: Hamilton, Merrick, Nance, and part of Hall County.

**BRIESE:** Tom Briese, District 41.

**ALBRECHT:** Joni Albrecht, District 17.

**LINDSTROM:** Thank you. And I know some of the senators are introducing bills in other committees, so they'll kind of trickle in as we, as we go on today. Our pages today, Kennedy from UNL studying political science, and Ritsa, UNL studying political science and economics. Please remember that senators may come and go during our hearing as they may have bills to introduce in other committees. Senator Flood, if you'd like to introduce yourself.

**FLOOD:** Mike Flood. I'm from Norfolk, that includes all Madison County and the southern half of Pierce County.

**LINDSTROM:** Thank you. And we just ask the room that you please refrain, refrain from applause or any indications on how you feel about the bill. Our audience, the microphones in the room are not for amplification, but for recording purposes only. And then lastly, we will use electronic devices up here. So you may see some of us accessing that information. It's not that we're not paying attention. It's just sometimes how we get the information in front of us. And with that, we will open up the hearing on LB693. Senator Blood, if you'd like to come up and introduce the bill. Good afternoon, Senator.

**BLOOD:** Good afternoon to you, Vice Chair Lindstrom, and good afternoon to my fellow senators, friends all. My name is Senator Carol Blood. That is spelled C-a-r-o-l B as in boy l-o-o-d as in dog, not to be confused with Senator Flood, and I represent District 3, which is western Bellevue and eastern Papillion. Thank you for the opportunity to bring forward LB693 to your esteemed committee. I bring forward LB693 because additional tax exemptions for our veterans are severely past due. And it's time for the Legislature to provide that relief to them. The intent of this bill is to change the way Nebraskans define disabled veterans to match the federal definition. By doing this, we are also changing tax exemptions in the state of Nebraska for veterans with disabilities and making it less complicated by mirroring the federal definition. These changes, as others over the last few years, also helps to shore up the request from Governor Ricketts himself, who wants us to strive to make Nebraska the most veteran and military friendly state in our country. Last year, I introduced LB10, which was

an attempt to make the state's definition of a disabled veteran less restrictive and fairer to our citizens. I took the feedback and advice from this committee to bring forth a better, more robust version of that bill, which formed LB693. Now this bill is a bit more complicated, but we feel we've addressed all of the sections of statute that we felt might be affected by these changes. So in two easy sentences, since we added a definition of disability rating to the DMV statutes, we also added definitions for blind and disabled veteran and then brought all of these definitions in the property tax sections. So since the exemption, exemption for blind veterans is now different than the exemption for disabled veterans, they had to be in two different subdivisions. You will see this in both the DMV statutes and the property tax statutes. So I'll quickly go through the changes LB693 brings to the existing statute. In Section 1, it amends 60-3,184 to 60-3,190 to harmonize language so that blind, that blind veterans, the disability rating, and the disabled veteran have the same meaning as what's defined, defined in 77-202.23 when it comes to motor vehicle taxes and fees. Currently, the Nebraska statute lists a disabled veteran as someone who has lost the use of or has undergone amputation of two or more extremities or has undergone amputation of one or more extremities and has lost the use of one or more of those extremities. So to compare, if you look at the definition for blind veteran in that same chapter, 77-202.23, it doesn't hold the same conviction. That definition reads: a veteran whose sight is so defective as to seriously limit his ability to engage in the ordinary vocations and activities of life. It's not much of a stretch to say that seriously limit is far broader than a veteran who loses several limbs, either through paralysis or amputation. Section 2 separates blind veterans and disabled veterans in order to make it clear that blind veterans are still getting the same kind of exemptions as other disabled veterans under Nebraska law. Additionally, it defines that disabled veterans will receive tax exemptions on their motor vehicle tax as long as they are at least 10 percent disabled, and it then works on a sliding scale. For example, if a veteran has a disability rating between 10 and 20 percent-- 25 percent, then motor vehicle taxes are reduced by 25 percent. If the disability rating is 25 to 50 percent, then the motor vehicle tax will be reduced by 50 percent. If the disability rating is 50 to 75 percent, then the vehicle tax will be reduced by 75 percent. If the disability rating is more than 75 percent, the motor vehicle will be 100 percent exempt. Section 3 amends established statutes in regards to how someone applies for these exemptions, but separates out blind veterans and disabled veterans and the definitions in order to make sure that both are

covered. Section 4 establishes that motor vehicle fees will also be reduced on that same sliding scale as motor vehicle taxes. Section 5 defines a blind veteran as someone whose sight is so defective that it limits their day-to-day lives. It also clarifies that the disability rating mentioned elsewhere in the bill is based on the percentage of disability as defined by the U.S. Veterans Affairs Department. This section then defines that the term disabled veteran has the same definition as in 5 U.S.C. 2108. And lastly, Section 6 lays out that mobile homes are covered in the same way that vehicle tax exemptions are covered as far as a sliding scale of how much a property tax-- property is tax exempt based on the disabled veteran living there. We have found that this is very important to many of our rural vets, by the way. Another factor to consider with LB693, is just how long it has been since this language was last updated. Both definitions were enacted into Nebraska law in the 1970s. Additionally, the weapons of war have gotten more effective in carrying out their functions. I believe the federal government's definition of a disabled veteran recognizes and reflects that fact more accurately. The VA uses the whole person theory to determine the final level of disability. In other words, it's impossible for a person to be more than 100 percent able-bodied. The table to use is very interesting. For example, if you have two disabilities, they round that combined value to the nearest 10 percent to find your combined disability rating. They round combined values ending in one to four down and those ending in five to nine up. So before I close, I'd like to put something on record for consideration. This is the sixth year I have cringed when I read our state statutes for veterans with disabilities. Nebraska does not use people-first language putting the person, in this case the veteran, before the disability. You see that style reflected in the Americans with Disabilities Act, as well as the UN Convention on the Rights of Persons with Disabilities. It's reflected because it shows dignity and it shows respect. If used in this case, it separates the veteran's injuries from their personhood, and that is showing respect. So I am aware of other bills introduced in the Legislature that help to do the same as LB693 and I'm open to consolidating my bill with theirs to create one comprehensive and inclusive bill that will properly serve our veterans. I appreciate your consideration on this bill, and I do urge the committee to quickly vote it out to the floor for proper debate instead of putting it off for yet another year when we can really continue to build a strong foundation for veterans here in Nebraska. Before I close, I would like to point out that we do take issue with one of the fiscal notes. We were given a fiscal note to replace the first fiscal note that they said was inaccurate. The one

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 21, 2022  
Rough Draft

I'm referring to is specifically for the Department of Motor Vehicles. I think the way the fiscal note is written is very misleading because it does not show you what the state of Nebraska is currently paying for that exemption. It just shows you the whole exemption. So it's a little staggering when you read the number, and we did call and ask for it and received yet a third confusing answer. So we're not sure what's going on with that fiscal note. But it would be my recommendation that we get that number because it's clearly not accurate. So with that, I thank you for your time today. I believe I do have several people in attendance who want to speak, and I'd encourage you to save any questions for my closing as they may be answered during those testimonies. I do intend to stay for my closing. I am third up in Judiciary, so if I sneak out, that means I waive closing, Senator Linehan.

**LINEHAN:** Thank you, Senator Blood. Are there any questions from the committee?

**ALBRECHT:** What-- I'm sorry.

**LINEHAN:** Yes, Senator Albrecht. I'm sorry.

**ALBRECHT:** Thank you. Sorry. What's the date on the fiscal note that you're looking at because I have one from January 5?

**BLOOD:** We got another one today.

**ALBRECHT:** OK, so there's another one and that's the one you're referring to that you have a question with?

**BLOOD:** Yeah, the one that we got--

**ALBRECHT:** It's up in the corner.

**BLOOD:** Let me see if I can find it here.

**ALBRECHT:** Front page at the top at the left.

**BLOOD:** It's like \$7 million.

**ALBRECHT:** Seven million. No, this one doesn't say \$7 million.

**BLOOD:** Yeah, here it is. Department of Motor Vehicles. So this one says date prepared January 10. But we had one before that, and then we called and asked for this one to be corrected. We got a very weird,

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 21, 2022  
Rough Draft

confusing email back, to be very frank. So they've not shown us what they're currently paying and what that difference is.

**ALBRECHT:** So you can get that to us?

**BLOOD:** So, for example, if they're currently paying \$5 million and this is a \$2 million fiscal note, we need to know that. So as it looks now, I think it looks very staggering, which indeed it's inaccurate because we don't know what we're paying right now.

**ALBRECHT:** So you'll get that to us if they'll give it to you?

**BLOOD:** We've been trying to get it for you. Yes. Perhaps, Chair Linehan would have better luck. I think she waves more influence than I do.

**ALBRECHT:** OK.

**LINEHAN:** Thank you, Senator Albrecht. Other questions from the committee? With the Fiscal Office note, you're not-- you're-- the Fiscal Office note, the one you're worried about, it came from the Department of--

**BLOOD:** Motor Vehicles.

**LINEHAN:** --Motor Vehicles.

**BLOOD:** Right, we've been working with the Fiscal Office to try--

**LINEHAN:** Yeah, I would agree there's something wrong there because the money doesn't come to the state anyway.

**BLOOD:** Right.

**LINEHAN:** Right. Yeah, I agree. But the fiscal-- you don't have the fiscal note from the Fiscal Office, you're [INAUDIBLE]--

**BLOOD:** They're who we communicate to get these though.

**LINEHAN:** OK.

**BLOOD:** Right

**LINEHAN:** Yeah.

**BLOOD:** Thank you for the clarification.

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 21, 2022  
Rough Draft

**LINEHAN:** That's fine. Any other questions from the committee? OK, thank you very much, Senator Blood.

**BLOOD:** Thank you.

**LINEHAN:** So first, we'll have proponents.

**LANCE MOLINA:** Good afternoon, members of the Revenue Committee. My name is Lance Molina, it's spelled Lance is L-a-n-c-e, and Molina is M-o-l-i-n-a. I come before you today not representing any organization, but as a citizen and a disabled veteran of the United States Air Force in strong support of LB693. Disabled veterans fought for this country and as a direct result of their service suffered an injury that created an ongoing disability. Unfortunately, Nebraska's statute currently does not fully acknowledge all of those disabilities by only accepting a veteran who has lost the use of or has undergone an amputation of two or more extremities or has undergone an amputation of one or more extremities and has lost the use of one or more extremities or is blind. The current statutes do not acknowledge other disabilities veterans have suffered, such as the effects of traumatic brain injuries, other mobility issues, PTSD patients, and countless other medical conditions that are a direct result of military service. In the United States Code, the federal government defines a disabled veteran as a veteran who is entitled to compensation or but for the receipt of military retired pay would be entitled to compensation under laws administered by the Secretary of Department of Veterans Affairs for a disability rated at 30 percent or more or rated at 10 to 20 percent in the case of a veteran who has been determined under Section 3106 of this title to have serious employment handicap. State statute is too specific then current federal law. As a result, the state of Nebraska is literally adding insult to injury by not acknowledging the sacrifices many disabled veterans-- of many disabled veterans. LB693 would correct this. Relating to the motor vehicle taxation, disabled veterans deserve to receive a property tax reduction on their motor vehicles because of their sacrifices and injuries. LB693 would assist disabled veterans by issuing a tax credit. I intend on giving further testimony to support this under LB853 to further exemplify the reasons why property taxes for disabled veterans is of the utmost importance. I am a proud member-- or proud citizen of the state of Nebraska, and I have lived here for 39 years. There are other states that are less tax burden on veterans, and we are losing out, risking losing out on veterans moving to other states if we don't correct this. I'm open to any questions the committee may have.

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 21, 2022  
Rough Draft

**LINEHAN:** Thank you very much, sir. Are there questions from the committee? Seeing none, thank you very much.

**JAMES SHUEY:** Good afternoon.

**LINEHAN:** Good afternoon.

**JAMES SHUEY:** My name is James or Jim Shuey, J-a-m-e-s, last name Shuey, S-h-u-e-y, and I am representing the DAV, Disabled American Veterans, Department of Nebraska. Chairman Linehan and distinguished members of the committee, it is indeed an honor to be here today and to be among our elected state senators. And for me, it's always special to be here in the company of a fellow alumnus of Lewiston Consolidated Schools in Chairman Linehan. We're probably the only two in the room that could find Crab Orchard and Lewiston without a map, so.

**LINEHAN:** I'm pretty sure that's true.

**JAMES SHUEY:** Thank you for allowing the Disabled American Veterans this opportunity to present our view on LB693 relating to a partial motor vehicle exemption for disabled veterans residing in Nebraska. As you probably know, the DAV is a nonprofit veterans service organization comprised of nearly 1.3 million wartime service-disabled veterans nationwide. In Nebraska, we have over 6,000 members. All of our members were wounded, injured, or have become ill while in the service of our great nation, and many of them severely. Our members have already sacrificed much in defense of our country and state. Rest assured, the DAV is extremely grateful for the introduction and hopefully the eventual passage of LB508, which will grant disabled veterans with a rating of 100 percent disabled a vehicle exemption and we will not support any legislation that would jeopardize, change or alter that proposed veterans benefit. However, the Nebraska DAV has felt for many years that there should be some sort-- or some form of a motor vehicle exemption for all disabled veterans. Thank you, Senator Blood, for introducing LB693. As authored, LB693 would grant a partial exemption on a sliding scale, and that's important, a sliding scale for veterans with disability ratings between 10 and 90 percent as assigned by the United States Department of Veterans Affairs. If LB693 is enacted, it will have a profound and a positive impact on our state's most seriously injured and wounded veterans. I've taken the liberty of attaching a partial list of states that provide some form of reduced motor vehicle exemptions for their disabled veterans. I hope you have the time to review it and please understand that this is



by no means a complete list of all the states that give motor vehicle exemptions. We've all heard the call of Governor Ricketts and previous administrations who have stated that they want to make Nebraska the most veteran friendly state in the Union and I'm proud to say we have seen some positive steps in that direction. The homestead exemption and a proposed motor vehicle exemption for 100 percent disabled veterans, as well as a state income tax exemption for military retirees, retirees are most certainly welcomed and appreciated by our state's veterans. But the hard truth is that they impact less than 15 percent of Nebraska's disabled veterans. While the DAV has not yet seen a fiscal note, and here I must go off script because I wrote this-- finished last night. This morning, I went in a half hour before I left Omaha, and saw where the fiscal note had been dropped on the website so I apologize for that. We know that there will be a price tag associated with this and we have seen that. However, we do not believe that the fiscal note should ever be the sole mitigating factor when it comes to the passage of legislation that will benefit our state's disabled veterans. We in the Nebraska DAV are indeed in lockstep with Governor Ricketts, Chairman Linehan, and all the others who continue to stress that Nebraska taxpayers should be the beneficiaries of any property tax relief. LB693 will do exactly that for those citizens who at one time raised their right hand and took the oath to defend this nation and now bear the scars, both seen and unseen, of their service and sacrifice. The first sentence of the DAV Statement of Policy says: Disabled American Veterans was founded on the principle that this nation's first duty for veterans is rehabilitation and welfare of its wartime disabled. Pursuant to this DAV Statement of Policy and DAV Department Resolution 001, the Nebraska DAV supports LB693 and urges this committee to advance it to the floor and the Unicameral to pass this bill in a timely and expeditious manner.

**LINEHAN:** Thank you.

**JAMES SHUEY:** Thank you for the opportunity to testify before this committee. That concludes my testimony. I'll please respond to any questions that you or committee members may have.

**LINEHAN:** Thank you, Mr. Shuey. Questions from the committee? Seeing none, thank you very much for being here. Are you in Omaha now?

**JAMES SHUEY:** I live in Omaha now, yes.

**LINEHAN:** Oh, you do. Where in Omaha?

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 21, 2022  
Rough Draft

**JAMES SHUEY:** Just on the south side of your district, on the south side of Harrison Street at [INAUDIBLE].

**LINEHAN:** OK.

**JAMES SHUEY:** So you're my neighbor.

**LINEHAN:** OK.

**JAMES SHUEY:** Even if, even if we are in different districts.

**LINEHAN:** OK. It's old home week. Hi.

**RYAN McINTOSH:** Chairperson Linehan, senators of Revenue Committee, my name is Ryan McIntosh, R-y-a-n M-c-I-n-t-o-s-h. I'm here today as a registered lobbyist on behalf of the National Guard Association of Nebraska, which includes the current commission and warrant officers of the Nebraska Army and Air National Guard, as well as a large number of retirees. Today, the Nebraska National Guard is nearly 5,000 members strong. I won't repeat the previous comments, but I do echo all of them. So with that, I'll keep it short and we urge the committee to pass this measure onto the full body for debate. So with that, I'd be happy to answer any questions.

**LINEHAN:** Thank you. Do we have any questions for Mr. McIntosh? Senator Flood.

**FLOOD:** Thank you, Chair Linehan. Mr. McIntosh, aren't you also a member of the Nebraska National Guard?

**RYAN McINTOSH:** I am.

**FLOOD:** What is your rank now?

**RYAN McINTOSH:** Major.

**LINEHAN:** That's right. Sorry.

**FLOOD:** Is that a new promotion for you?

**RYAN McINTOSH:** A couple years now.

**FLOOD:** OK. He was a page when I was here--

**LINEHAN:** Oh.

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 21, 2022  
Rough Draft

**FLOOD:** --the first time. He's a major.

**LINEHAN:** He is a major. And I actually knew that. I'm sorry.

**FLOOD:** Congratulations and thank you for your service.

**RYAN McINTOSH:** Thank you.

**LINEHAN:** He also was in charge of the troops when they were in D.C.  
Right?

**RYAN McINTOSH:** One year ago today was in D.C.

**LINEHAN:** Yes.

**FLOOD:** How long were you there?

**RYAN McINTOSH:** Two or three weeks. I think, I think right about 20  
days.

**LINEHAN:** He didn't sleep in a garage.

**RYAN McINTOSH:** We didn't, we didn't have to sleep in any garages.

**LINEHAN:** OK.

**FLOOD:** Get Marriott points?

**RYAN McINTOSH:** I stayed at Embassy.

**FLOOD:** Well, thank you for your service.

**RYAN McINTOSH:** Thank you.

**LINEHAN:** Thank you for being here. Next proponent. Is there any other  
proponents? Are there opponents? Anyone wanting to speak in the  
neutral position? Good afternoon.

**BETH BAZYN FERRELL:** Good afternoon, Chairwoman Linehan, members of the  
committee. For the record, my name is Beth, B-e-t-h, Bazyn, B-a-z-y-n,  
Ferrell, F-e-r-r-e-l-l. I'm with the Nebraska Association of County  
Officials. I'm testifying neutral on this bill. In part, our board met  
this morning to talk about bills and these bills dealing with veterans  
exemptions and homestead exemptions were a real topic of conversation  
for us. Our board wanted to recognize the service that veterans have  
provided and the sacrifices that they've made. Having said that, every

Transcript Prepared by Clerk of the Legislature Transcribers Office

Revenue Committee January 21, 2022

Rough Draft

time we come into this committee, we discuss how we dislike erosions of the tax base. And so in balance of those two things, our committee decided that the appropriate position for us on all of these bills would be neutral this year because we want to sort of recognize both aspects of that. We did in our discussion this morning have one technical question about the reporting mechanism, and we'd be happy to work with Senator Blood on that. So I'd be happy to answer questions.

**LINEHAN:** Thank you. Are there questions from the committee? So on the fiscal note, I'm looking at it, says local government to include city, village, and counties decrease in '23 would be a little over \$1 million. Do you know how much the counties get of that 40 percent?

**BETH BAZYN FERRELL:** I'm sorry, off the top of my head, I, I do not know.

**LINEHAN:** That's OK. It, it would be, it would be helpful, I think, if the committee knew that.

**BETH BAZYN FERRELL:** We can find that out.

**LINEHAN:** OK, thank you much. Are there other questions? Seeing none, thank you very much for being here. Is there anyone else who wants to speak in the neutral position? Senator Blood, would you like to close?

**BLOOD:** So in closing, I, of course, am very much against unfunded and underfunded mandates that negatively affect our counties. But at the same token, we have other avenues to provide those funds back to those counties, which I'm addressing in another bill that you'll see me likely in the future on depending who it gets assigned to. But, but here's the bottom line is that we had a puzzle that we started years ago and that puzzle was how does Nebraska become one of the best states in the United States for a veteran to retire, for veterans to stay here and raise their family? This is part of the puzzle. I listened to everything you asked of me the last time I brought this bill forward. And as you saw, not only did I, I make those amendments, but it became more complicated, but in a positive way. We talk about how flush we are with funds right now, seems like now's the best time to go ahead and address this because we know darn good and well should that change in the future, then this bill will just keep getting kicked down the road like it has year after year after year. I think if we can address the fiscal note questions that I think we are going to find that it's not as big a burden as we believe it to be. And quite frankly, I think it's insulting that we never seem to be able to

get these bills passed to our veterans with disabilities. And again, and I'm going to put one more plug in, let's make sure that we put the person before the disability whenever we talk about this in state statute. And maybe in the future, we can all work together to change the language because it is definitely the person who comes first before the disability. With that, I appreciate all the time you gave me today, and I truly hope that you give this, like, sincere, sincere look over and help us do something with it this year. I'd be really appreciative.

**LINEHAN:** Thank you, Senator Blood. Are there any questions from the committee? Seeing none, thank you very much. We did have letters for the record. We had four proponents, one opponent, and no in neutral position. So with that--

**BLOOD:** Thank you, Chairperson Linehan.

**LINEHAN:** You're welcome. With that, we close the hearing on LB693 and open the hearing on LB776. You're not Senator Brewer.

**TONY BAKER:** Good afternoon, Senator Linehan, members of the Revenue Committee. I'm Tony Baker, that's spelled T-o-n-y B-a-k-e-r. I'm Senator Brewer's legislative aide and I'm here to introduce LB776 today. Senator Brewer is at a medical procedure. This bill is a continuation of Senator Brewer's ongoing efforts to untax Nebraskans who serve in the military. He believes Nebraskans who serve their state and nation and volunteer to stand in harm's way should not have to have their pay taxed by the same government that puts them in harm's way. Senator Brewer believes this thinking should be applied to every Nebraskan who serves their fellow citizens, such as law enforcement and first responders, but that's another bill for another day. It's important to understand a couple of terms when you read this bill. First of all, America's military is composed of two components, the active component and the reserve component. There are then two corresponding chapters in, in the U.S. Code that deal with this one is Title 10, and that's for military members serving on active duty. And the other one is a really unique title in the, in the law, Title 32. Because the National Guard serves in both capacities, they are commanded and controlled by the Governor when they're in the-- in their home states. And when they're mobilized for active duty to serve overseas and so forth, they're under a Title 10 order and they're under the command and control of the President. What this bill does is exempt the pay of Nebraska citizens who serve in the military on active duty. And this applies to either component. For example,

Transcript Prepared by Clerk of the Legislature Transcribers Office

Revenue Committee January 21, 2022

Rough Draft

Senator Briese's LA, Mr. Ed Boone, is in the Army Reserve. His unit will soon be mobilized for service on active duty overseas. Another example is Senator Brewer's daughter, Kalee Boden. Lieutenant Boden will soon have to attend a mandatory military school, and that will result in her being put on Title 10 active duty orders. In both of these examples, these people are serving as members of the reserve component, but they're going to be on active duty on Title 10 orders. This bill would apply to untaxing that pay. The purpose behind the bill is to incentivize Nebraska citizens serving in the military to continue to be Nebraska citizens. What happens now is when a Nebraskan joins the active duty military, the first thing they do is go down to the finance office and declare their official state of residence. It doesn't matter what state you came from. All you have to tell the Army is where you plan to live when you separate from the military. A lot of Nebraskans become Texans at that moment, or from Wyoming or from some other state that doesn't either have a mili-- have an income tax at all or doesn't tax military pay. I think we can all agree that it's not a good idea to lose our citizens, and there's a lot of things causing our citizens to become members, citizens of other states that we'd like to stop. We're incentivizing good citizens that we all agree we want in our communities to stay here, as Senator Brewer pointed out last year with his bill to untax military retired pay. We want our citizens in our community that give of themselves to our state and nation. We want them to vote in our elections. We want their children to attend our schools and colleges. We want them participating in our society and our economy. We want these kinds of people to have strong connection to their home state. We want them to come home to Nebraska when they leave the military. Senator Brewer wants all military pay exempted from income taxes. But he wrote this bill with the understanding that stopping a stream of revenue without a corresponding spending cut is a very difficult thing for this committee to do. Senator Brewer also recognizes that the very first tax the Legislature should be working on a way to reduce is property taxes. And when you reduce streams of revenue, it makes it harder to do that. In recognition of that, Senator Brewer wrote in this bill kind of a built-in compromise. The, the bill continues the taxation of military pay for members of the reserve component receiving normal weekend, what we would call a drill weekend, normal weekend drill pay. Unless they're ordered to state active duty in response to a natural disaster, all Title 32 pay for the National Guard would still continue to be taxed. Before I close, I would like to note that I really scratched my head when I read the fiscal note, in particular the amount of money they claim it's going to cost to reprogram their

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 21, 2022  
Rough Draft

computer system to stop doing something. I can understand spending a lot of money on software to start doing something, but I supervised 135 people in 17 locations around Afghanistan writing classified software for a USCENTCOM database and we didn't charge this much. So anyway, subject to the permission of the Chair, that concludes my presentation and I'll take questions if you'll permit.

**LINEHAN:** Yes, I, I think we don't usually ask staff questions. I don't think we ask them questions. It's one of the rules.

**TONY BAKER:** Oh, good. Thank you.

**LINEHAN:** All right. Thank you, Tony. Proponents. Yes, Major.

**RYAN McINTOSH:** Good afternoon again, Chairperson Linehan and members of the Revenue Committee. My name is Ryan McIntosh, R-y-a-n M-c-I-n-t-o-s-h, and I'm appearing as a registered lobbyist on behalf of the National Guard Association of Nebraska. We thank Senator Brewer for bringing this bill, which provides additional incentives for our citizens to serve in the reserve components of the military here in Nebraska. To be clear and to echo Mr. Baker statements, this would not apply to our full-time force or to regular drill weekend pay, but rather those service members who are called away from their communities and, and out of their normal duty for either Title 10 or for state active duty. Recently, we've had a large number of service members that have been pulled for state active duty away from their employers and away from their families into part of our state. In 2019, we had the historic floods, which brought in several hundred service members on state active duty. In 2020, again, we had a large number of service members that were pulled in support of covert operations, including running testing sites, delivery of PPE, and other emergency planning. Likewise, Nebraska National Guard has had several units mobilized and preparing to mobilize either mob station or back from mob station. Those benefits are taxed unlike when they are actually in-country. So LB776 provides an incentive for continued service when these activations and mobilizations are ongoing and interrupting service members' regular lives. We ask for your support of LB776 and urge the Revenue Committee to pass onto General File. Thank you for your support and consideration.

**LINEHAN:** Thank you, Major. Are there questions from the committee?

**RYAN McINTOSH:** Yes.

**LINEHAN:** So I don't know the answer to this, but so maybe you do. So at one point, active duty during Iraq and Afghanistan, they did not pay income taxes, if they were-- federal income taxes. Is that still true if they're employed or is it just war zone?

**RYAN McINTOSH:** So it, it would be just in, in specific war zones.

**LINEHAN:** OK.

**RYAN McINTOSH:** So, for instance, we had a, a contingent mobilized, a battalion mobilized to Guantanamo Bay, Cuba, a couple of years ago. It's my understanding that they would be. It's not a combat zone. They were subject to state and federal income tax for that.

**LINEHAN:** OK. OK, so it's just a war zone of which we don't have now.

**RYAN McINTOSH:** Yeah, so for instance to that, and, and we do actually have units on combat deployment as we sit here today.

**LINEHAN:** In Africa.

**RYAN McINTOSH:** Yes. And so this would apply during their pre-mob and post-mob as part of that mobilization.

**LINEHAN:** OK. Other questions from the committee? Seeing none, thank you very--

**RYAN McINTOSH:** Thank you.

**LINEHAN:** --much, Major. Other proponents? Are there any opponents? Anyone wanting to speak in the neutral position? Mr. Baker, would you like to close? He waives closing. We had-- excuse me, I should have flipped this over. We had one, one proponent letter for the record and one opponent letter for the record. And with that, we'll close the hearing on LB776. Thank you all. And now we'll open the hearing on LB853.

**SAM HUPPERT:** Good afternoon, Chairwoman Linehan and members of the Revenue Committee. My name is Sam Huppert. That's S-a-m H-u-p-p-e-r-t, and I'm Senator Day's legislative aide, and I'm here to read her introduction into the record. As we get started, I'd like to draw attention to AM1601. It's the white copy amendment that carries my intent with this bill. We accidentally drafted LB853 in a manner that would apply to nonservice injuries while we meant to apply this exclusively to service-related injuries. AM1601 is almost identical



text, but changes this to the statute that deals with service-related injuries. Unfortunately, this throws off the fiscal note. If you're interested in advancing these bills-- this bill, there are ways we could get an updated fiscal note that I'd be happy to discuss. And I know Jim Shuey from the Disabled American Veterans who will also be testifying has done some rough math as well. So if the fiscal note is the only thing holding anyone back, we'd be happy to work with you to find this number. I know that this committee has heard this version of the homestead exemption before, but I wanted to make sure that we continue this conversation and really ask ourselves if this is the year we can look at our fiscal situation and give a lift to Nebraskans who have served and come home with lifelong disabilities. My grandpa was a veteran and I know many of you have parents, relatives, friends, or colleagues who have served. So I know I'm not alone in grasping the importance of this community and all that they've given us. While each veteran with a service-related injury faces a lifetime of unique and personal challenges for the purposes of evaluation, service-related injuries are determined by a graduated rating system under the VA schedule for rating disabilities. The ratings range from zero to 100 percent, and higher ratings may reflect a single serious disability or combination of several smaller disabilities. The basis for these ratings are the average impairment of earning capacity that results from the service member's injury. It's also important to understand that when a veteran has more than one disability, the ratings are not simply added together. For example, a 30 percent disability plus 20 percent disability does not equal a total 50 percent disability rating. Instead, combined ratings are calculated by a formula and rounded down to the nearest 10 percent. This means veterans often have a rating that is less than the sum of their injuries. While 1 to 100 rating system may seem remote and calculated, I would urge everyone in this room to consider the life altering changes that those with service injuries go through and consider the physical and psychological loss as if they suddenly happened to ourselves or a loved one. For the 17,629 Nebraska veterans who have a 50 percent or greater service-related injury, this is their daily reality, a life forever altered by the courage they showed in serving our country and our way of life. Although the size of our veteran population is declining among the youngest generation of veterans, service-connected injuries are increasing as a proportion of those returning home. Post 911 veterans report a 43 percent rate of service-connected disabilities significantly higher than veterans from other periods. Additionally, among the subcategory of veterans with a service-related disability, 39 percent of these injuries have a disability rating of

more than 70 percent. Unfortunately, we have another generation of Nebraskans trying to build their lives while experiencing the lasting effects of their service injuries. When we think of the nature of a partial disability, it seems only natural to be optimistic about the effects of this partial injury. Yet, these are injuries that would be considered massive in any colloquial or commonsense meaning of the term. For example, a 70 percent impairment of posttraumatic stress disorder involves suicidal thoughts, near continuous panic attacks, and inability to manage stressful situations, and a projected 70 percent loss of earnings. This veteran would not qualify for our homestead exemption in the status quo. In terms of physical injuries, another example would be if your arm is amputated at the shoulder, you qualify for a 100 percent service disability and would get the exemption. However, if it's amputated below the deltoid but above the elbow, it's a 70 percent disability on your nondominant arm and an 80 percent disability in your dominant arm. Regardless, in each case, we would not give those veterans the homestead exemption. Veterans with a 50 percent or higher service-related injury only suffer from partial disability in the clinical, cold, and bureaucratic meaning of the term. As anyone else can see, these are life-altering injuries. Alaska, Illinois, Kansas, and Vermont already include provisions of 50 percent or higher service-related disability in their property tax exemptions, and it is time for Nebraska to join them. LB853 would prorate the level of service-related disability for those who are 50 percent or more disabled, matching the level of property tax exemption with their level of service disability in 10 percent tiers. I realize this is not an easy choice to make. And while LB853 would not be a budget busting revenue loss, I know as members of the Revenue Committee you take your responsibility as good financial stewards seriously. However, I ask you to take this moment in which we have a relatively stable fiscal outlook and consider this a window of opportunity to include disabled veterans among those who will benefit. I'm not pretending that LB853 comes anywhere close to enough to make up for what many veterans have lost in defending us. However, I'm asking you to consider giving this amount back to make things slightly easier for those who have given so much to all of us.

**LINEHAN:** Thank you. Are there any questions from the committee? Oh, we're not supposed to. I'm going to ask you one question because I'm not sure, you're saying the fiscal note reflects all disabilities, not just the veterans?

**SAM HUPPERT:** We, we, we based the text on a bill Senator Wishart brought a few years ago and we accidentally included, yeah, nonservice

injuries, which was redundant with the number of parts in the existing Homestead Act. So the fiscal note is-- I don't have it in front of me, but I, I believe it's extremely small where if we--

**LINEHAN:** I do think it would be bigger than what we're seeing.

**SAM HUPPERT:** Yeah, yeah. So that's kind of the issue, issue with it. Yeah.

**LINEHAN:** OK. All right. All right, thank you very much for being here. Proponents.

**LANCE MOLINA:** Good afternoon again, members of the Revenue Committee. My name, once again, for the record is Lance Molina. That is Lance, L-a-n-c-e, Molina is M-o-l-i-n-a. I come before you not representing any organization, but as a citizen and a disabled veteran of the United States Air Force in strong support of LB853. Expanding the homestead exemption is very important to disabled veterans. Unfortunately, under current state statute, a majority of disabled veterans do not qualify for an exemption. Under the current state statute, it is all-- it is an all-or-nothing approach based on a 100 percent disability as determined by the Department of Veterans Affairs. The Department of Veterans Affairs and federal law do not take the same all-or-nothing approach to veterans disability as the current Nebraska state statute does. Also, it should be noted that three of our neighboring states: Iowa, Kansas, and Wyoming all provide for a homestead exemption for disabled veterans under the 100 percent mark. A total of 20 states allow homestead exemptions for those under the 100 percent disabled mark. Currently, I receive \$23,400 per year in disability from the VA, while the property tax for my home is \$4,190 per year. That means 17 percent of my disability pay goes just to property taxes. I live in a district that has been steadily increasing my property taxes with bonds over the last 20 years. Property tax increases have also outpaced the cost-of-living allowances year over year. Comparing the years 2021 to 2020, my property tax increased by 4.5 percent, while the COLA adjustment was only 1.2 percent. In the last five years, the property tax for my home has increased by 19 percent, while the disability income is only increased by 13 percent. Given this trend, the property tax burden has become higher for disabled veterans. Under current state statute, only those with 100 percent disabilities qualify for homestead exemptions. This does not take into account the method the VA uses to calculate the total combined rating. Using my case as an example, I have five ratings. Those ratings are 50 percent, 30, 20, 20, and 20. If you were

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Revenue Committee January 21, 2022  
Rough Draft

to add those numbers together, it equals 140. However, the VA prorates these disabilities for a combined rating of only 80 percent. Veterans have earned and use a VA benefit for home-- benefit home loan to purchase their homes. Many disabled veterans are often missing out on this benefit because the property taxes are disqualifying them for mortgages with the high percentage of their disability incomes going to property taxes. In the previous years this issue has been presented, the only opposition has been from the Association of County Officials. In 2020, they claimed, as they did earlier with another bill, that their tax base would be eroded if the homestead exemption with-- because of the homestead exemption. However, that the tax base, the tax base is reimbursed by the state through the home exemption. In 2020, when this committee asked the Association of County Officials if they had ever been denied reimbursement from the state, they had stated they had never encountered such an issue. What the Association of County Officials has left out of their previous testimony in prior years is that some of the offices for which the association represents receive a 1 percent commission from taxes collected by other levying districts, so it appears they may have a conflict of interest attempting to keep this crucial bill from becoming law. The truth is that disabled veterans are not only suffering because of their disabilities, but because of the high property tax burden placed on them. LB853 would relieve that financial suffering so that disabled veterans could focus on their physical and mental health. Going off script here, the increase in property taxes essentially for my home has caused me stress because of the, the increase. I'm open to answering any questions this committee may have.

**LINEHAN:** Thank you very much, sir. Are there any questions from the committee? Where do you live?

**LANCE MOLINA:** Gretna.

**LINEHAN:** OK. [INAUDIBLE] Thank you very much for being here.

**LANCE MOLINA:** Thank you.

**LINEHAN:** Appreciate it. Other proponents?

**JAMES SHUEY:** Good afternoon again. My name is James or Jim Shuey, J-a-m-e-s, last name Shuey, S-h-u-e-y, and I am representing the DAV, Disabled American Veterans, of Nebraska. Chairman Linehan, always good to see you, and the members of the Revenue Committee, it's indeed an honor to be here today and to be among our distinguished state

senators. Thank you for allowing the DAV this opportunity to present our view on LB853, related to partial homestead exemption for certain disabled veterans of America. I won't repeat the make up of the DAV. We've done and the other bill here. The DAV has felt for several years there should be some form of a homestead exemption for all disabled veterans. Thank you, Senator Day for introducing LB853, which will grant a partial exemption on a sliding scale for veterans with a disability rating of 50 to 90 percent. We would also like to extend our thanks to Senator Wishart, Senator Pansing Brooks, and Senator Gragert, and I believe there's one another one who has signed on this morning or I saw it on there, for signing of LB853. While this legislation does not yet cover all veterans, it is a very large first step. It will have a profound impact on our state's most seriously injured or wounded veterans. I'd like to take a little bit of the Revenue Committee's time today to address the obvious elephant in the room that always seems to come with these types of bills, and that's a fiscal note associated with it. Again, I hadn't seen the fiscal note until this morning, so I apologize for that. I haven't had a chance to, to dissect that. But I do believe a closer look at some of the analytics, I believe it will show that this is not a budget-buster bill or the proverbial pill too large to swallow. Of Nebraska's 46,000 veterans, only 38 percent of the roughly 15,400 would meet the 50 to 90 percent disability of LB853. Based upon data provided by the Nebraska Department of Veterans Affairs, approximately 51 percent of Nebraska veterans who are over the age of 65 and as such may already be receiving a homestead exemption, or at least be eligible for an income-based homestead exemption in some form. Logic would further indicate that not every veteran or survivor owns their residence or dwelling. Many may be riding-- residing in some type of a rental property, a retirement community, or perhaps a partial or full care facility, or have some other arrangement. And as such, they could-- or that could or would undoubtedly further lower the impact on a number of veterans who would qualify for the exemptions under LB853. And I don't believe that's covered under the fiscal note just looking at it-- first glance at it. As stated earlier today, we have heard the call of the Governor and his predecessors for making this a veteran friendly state. I'm proud to say that we've taken some positive steps towards that direction. LB5-- or LB853 would most assuredly be another step to bringing that to fruition, and it's at times like this that I'm reminded of the old saying: Actions always speak louder than words. I've taken the liberty of attaching a partial listing of states that provide for some form of property tax exemption for less than 100 percent disabled veterans. We in Nebraska stand ready to assist

however and whenever we can to help our fellow veterans. And one way to do that is with the passage of LB853. Our policy that was founded on a principle of this nation's first duty of vet-- to veterans is rehabilitation and welfare of the wartime disabled pursuant to this DAV Statement of Policy and DAV Department Resolution number 002, which is attached. The Nebraska DAV supports LB853 and urges this committee to advance it to the floor and the Unicameral to pass this bill in a timely and expeditious manner. Thank you for the opportunity to testify before this committee. Madam Chairman, this concludes my testimony. I'd be glad to respond, if possible, on any questions you may have.

**LINEHAN:** Thank you, Mr. Shuey. Are there any questions from the committee? Seeing none, you did a good job. Thank you.

**JAMES SHUEY:** Thank you.

**LINEHAN:** Good afternoon.

**GREG HOLLOWAY:** Good afternoon. You probably thought you was going to get away without seeing me sometime this year, but you're not. My name is Greg Holloway, G-r-e-g H-o-l-l-o-w-a-y. I'm still the legislative advocate for the Nebraska Veterans Council, but I cannot act on their behalf on this bill right now because we have our meeting Monday. So we haven't discussed this bill, but I've been doing this long enough. I'm pretty positive they will say, yeah, we'll go along with you, Greg. We will make this one of our priority bills. Two testifiers before me pretty much gave all the reasons why we should do this, so there's not a whole lot for me to say, really, though. But I can answer a lot of questions on eligibility as you know, some of you know, I was a county veteran service officer, even though it was-- I retired in 1995. The basics are pretty much the same on eligibility criteria for payment of disabilities. I draw 100 percent service-connected disability with what's called an S award, so I have one rating at 100 percent and I have combined ratings of 60 or more for being wounded in Vietnam, so I'm pretty well up on all that if you have any questions at all on eligibility. The last-- I've worked on homestead exemption bills for many, many years, the last bill that I'm really proud of was the one Senator Pirsch in 2014 helped introduce for me that got rid of all the income guidelines and evaluation on homes for 100 percenters, which was a very, very good bill which assisted many, many veterans and their dependents on obtaining homestead exemption. So that was actually one of the bills that I worked on. I been following homestead exemption quite a bit because I

know someday they're going to say there's some money out there. We're going to try to get it back. So I want to keep a-- got to be vigilant once in a while. So I think this bill would assist many, many veterans. And it's just not the fact that you're going to save them money when the veterans that are on service-connected disabilities, even at 50 percent, their income is limited because their performance of their employment is limited because the result of their service-connected disabilities and it's not necessarily a 50 percent rating, you could have quite a bit of disability. When I first got out of the military, I was 50 percent rated for posttraumatic stress. I was wounded twice and in three combat actions in five and a half months. So we were really busy. So-- and I was rated at 50 percent for PTSD and trust me, I was back then, I'm not the same person anymore. But so because of your-- what they actually physically rate you at as a compensable rating, your compensable rating starts at zero percent. That could be for hearing loss, or it could be for a lot of other things. But once you start getting a compensable rating, as they were saying, it might take more than just zero percent, 10 percent to get that compensable rating at 10 percent. And that's what we're looking at, at a 50 percent compensable rating, that's where they're going to start. So you might be rated way above actually 50 percent and your-- the VA rating just to get that 50 percent compensable rating, so. And on the physical-- fiscal notes on it, you can figure out how to blow those up really high. But you get right down to it, I don't think it's going to cost a whole lot because every nickel that you save a veteran, they're going to buy better groceries. They might buy that pound of steak instead of pound of hamburger, or they might buy that, buy that little better car because they can actually afford it now. A few dollars here, a few dollars there. So that money is going to come right back into the economy and we're going to get it some other way in some other taxes, you know. Senator-- oh, now what was his name that instituted in 1969-- [INAUDIBLE]-- Senator [INAUDIBLE]. That's when I started working on veterans issues with Senator [INAUDIBLE] back in 1969, and he's the one that instituted sales tax in Nebraska. It was his demise, I believe, but pretty much. But so you're going to get that money back in sales tax around the system somewhere. So I don't think we're losing any money. I'm asking you to get it out of committee. Take a good look at it and get it out of committee and let, let, let the body decide whether to go forward. So at least if we get it out of committee and let the body decide no up or down, we'll have a place to start next year and take a better look at it and say, what do we need to do to fix this better?

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Revenue Committee January 21, 2022  
Rough Draft

**LINEHAN:** OK, thank you--

**GREG HOLLOWAY:** Thank you.

**LINEHAN:** --very much. Thank you. I appreciate--

**GREG HOLLOWAY:** Thank you very much for your, your time and indulgence. I'll see you again.

**LINEHAN:** Thank you for your service.

**GREG HOLLOWAY:** All right.

**LINEHAN:** We have any questions? None. I don't see any. Thank you, sir, for your service.

**GREG HOLLOWAY:** All right.

**LINEHAN:** Other proponents?

**TIM BUTZ:** Good afternoon, Senators. My name is Tim Butz, T-i-m B-u-t-z, and I'm here today in support of this legislative bill. I'm a member of two veterans organizations, Vietnam Veterans of America and Disabled American Veterans. I'm not here in any official capacity, but I am a department service officer for the DAV. I have advanced training that allows me to go around the state and help veterans file claims for disability. I'm not going to read what's been passed out to you because you're all adults you can read and it's Friday afternoon. But what-- I want to summarize some of the things that, that I think are important. There's a lot of misconception about VA disability ratings and how disabled people can be. I mean, Senator Blood mentioned the VA whole person scheme of reading people. The attachment that I have to my testimony explains that in enough, enough depth that if you're an insomniac, it will help you go to sleep tonight. It's commonly called among veterans, fuzzy math, and it's fuzzy for a reason. It's designed to keep veterans' VA disability ratings lower. You know, you've heard this gentleman, Mr. Molina, talk about his ratings and how if they were stacked one on top of the other, he would be at 140 percent. This is a very common thing. He's not unusual. That's, that's the name of the game. The VA doesn't pass this compensation out like candy or to anybody that doesn't deserve it. They give it to the men and women that have put their bodies on the line in peacetime and in war, and did so with the understanding that when they were done, Abraham, Abraham Lincoln's promise to the veterans would be done for them to, to care for those who have borne



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Revenue Committee January 21, 2022

Rough Draft

the battle and their widows and their children. Excuse me. It's easy to think about coming here and talking to you about this as a beggar with a bowl. It's really easy to do that. But these are not beggars. These are men and women who have laid their life on the line. Men and women, who through no fault of their own, suffer current impairments caused by that military service. I don't know if you can see right now, but you know my hands are trembling, and it's not because I'm scared of any of you. It's because of Agent Orange. So every day, every one of us is reminded of that deep, dark part of their life when they answered the country's call and something bad happened. And trust me-- excuse me again, peacetime service is can be just as dangerous as wartime service. When you're practicing with live ammunition, that is not a safe environment. When you see people hurt, that is going to have an effect on your mental health. I see the yellow light is on. So let me wrap up real quick. This is something that the Governor has called for property tax relief. I think you should consider part of the fulfillment of the Legislature in granting property tax relief. There are no better people to give it to than the men and women that have gone off and answered their country's call. If you have any questions, I'd be glad to answer them. But thank you for your time and attention.

**LINEHAN:** Our pages were nice enough to set a glass of water there, so--

**TIM BUTZ:** Yeah.

**LINEHAN:** --just know it's there, so. Do we have any questions for Mr. Butz?

**TIM BUTZ:** It's Friday afternoon.

**LINEHAN:** It is. Yeah, you know the place well.

**TIM BUTZ:** We, we all know what it's like on Friday afternoon.

**ALBRECHT:** I have a question.

**LINEHAN:** Oh, you do.

**ALBRECHT:** Yeah.

**LINEHAN:** OK.

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Revenue Committee January 21, 2022  
Rough Draft

**ALBRECHT:** Thank you. Do they ever change these ratings over the years or is this a federal like rating?

**TIM BUTZ:** That's a good question.

**ALBRECHT:** Is it by state?

**TIM BUTZ:** The ratings can change as the disabling condition progresses.

**ALBRECHT:** OK, that's what I was wondering.

**TIM BUTZ:** You know, posttraumatic stress disorder, you can be rated zero percent if it doesn't interfere with your life at all, 30 percent if it's minimally affecting your life. Although I wouldn't call it minimally, 50, 70, and then 100.

**ALBRECHT:** OK.

**TIM BUTZ:** So as the veterans' condition worsens, they can apply for an increase in that rating. The VA doesn't-- there's two different branches at play here, the VA healthcare system and the Benefits Administration. They don't talk to one another, except when a claim is filed. So if I go in and my tremors are much worse, that goes in my medical record and my doctor ups my medication or whatever. But it doesn't mean I'm going to get an increase in my award. I have to apply for that. I have to know that I had the right to apply for it. You know, I, I retired from work in 2014 and have been doing veterans service officer work ever since then, and I can guarantee you that there isn't a veteran I've met that wouldn't give up all this compensation to have their bodies and minds right.

**ALBRECHT:** Absolutely. Absolutely.

**TIM BUTZ:** You know, to think that this is some kind of giveaway program and that, you know,--

**ALBRECHT:** No, not at all.

**TIM BUTZ:** --this is just an extension of it is wrong. I, I just wanted to make that clear.

**ALBRECHT:** No, I was just curious, and I thank you all for your service. Thank you for coming to testify and help us understand more about it.

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Revenue Committee January 21, 2022  
Rough Draft

**TIM BUTZ:** Thank you.

**LINEHAN:** Thank you very much, sir, for being here. Other proponents? She can get that. We'll have a page get it, don't worry about it. Good afternoon again.

**RYAN McINTOSH:** Good afternoon, Senators, again. My name is Ryan McIntosh, R-y-a-n M-c-I-n-t-o-s-h, and I'm appearing today in support of LB853 as a registered lobbyist for the National Guard Association of Nebraska. As before, I won't belabor this and I would just echo the comments of the testimony that preceded me and urge your consideration and advancement of LB853 to General File. With that, I'd be happy to answer any questions.

**LINEHAN:** Any questions? I have one quick one, and if you don't know, it's not-- in the bill as written, is there any, is there any, like, max? You know, on the regular homestead, there's limits on how much a house can be worth and how much you can make.

**RYAN McINTOSH:** So I, I have not seen the amendment that was passed out.

**LINEHAN:** OK.

**RYAN McINTOSH:** From looking at the, at the original bill, there is a-- with this, there was those limitations that dealt with both home value and for income.

**LINEHAN:** OK. Thank you. Any other questions for Major McIntosh? Seeing none, thank you--

**RYAN McINTOSH:** Thank you.

**LINDSTROM:** --very much for being here. Next proponent. Are there opponents? Anyone wanting to testify in the neutral position?

**BETH BAZYN FERRELL:** Good afternoon, Chairman Linehan, members of the committee. For the record, my name is Beth, B-e-t-h, Bazyn, B-a-z-y-n, Ferrell, F-e-r-r-e-l-l. I'm with the Nebraska Association of County Officials, and I'm appearing neutral on LB853. I would refer to our-- my earlier comments about why we took a neutral position on all of the veterans' exemptions bills. But I would note that this bill is a little different than Senator Blood's bill that we talked about earlier because homestead exemptions are reimbursed. Counties are reimbursed from the state for homestead exemptions. So at this point,

there isn't a fiscal impact to counties. But if that policy should change and counties would not receive full reimbursement for homestead exemptions, I think we might have a, a different discussion about that, and I think that's probably a discussion for another day. So therefore, I'm neutral and would be happy to take questions.

**LINEHAN:** Thank you. Are there questions? Seeing none, thank you very much for being here. Are there anyone-- is there anyone else who wants to testify in the neutral position? OK, who's closing? You're good, you're waiving. OK. We had letters for the record: three proponents and one opponent. So with that, we bring LB853 to a close and we're done for the day. We are going to have, so you all, those in the audience know we are going to have a short week.