

REPORT OF THE GOVERNMENT, MILITARY AND VETERANS AFFAIRS COMMITTEE OF THE NEBRASKA LEGISLATURE

Review of the Occupational Regulation of Lobbyists

Prepared in accordance with the Occupational Board Reform Act
(Neb. Rev. Stat. §§84-933 to 84-948)

Submitted to the Clerk of the Legislature of the 109th Nebraska Legislature

Committee Members:

Sen. Rita Sanders, Chair
Sen. Bob Andersen, Vice Chair
Sen. John Cavanaugh
Sen. Dunixi Guereca
Sen. Megan Hunt
Sen. Dan Lonowski
Sen. Dan McKeon
Sen. Dave Wordekemper

Committee Staff:

Dick Clark, Committee Legal Counsel
Julie Cash, Committee Clerk

SUMMARY

In 1976, the Nebraska Legislature sent Legislative Bill 987, the Nebraska Political Accountability and Disclosure Act (NPADA), to Governor Jim Exon to be signed into law. It was a lengthy bill that created a new Accountability and Disclosure Commission (NADC) and imposed a new, comprehensive state regulatory regime governing campaign finance, lobbying, and personal conflicts of interest on the part of public officials and public employees. The sections of the NPADA regulating lobbyists are currently codified at Neb. Rev. Stat. §§49-1480 through 49-1492. They have been amended frequently: twenty-three bills have revised these sections of law in the forty-nine years since enactment of the NPADA.¹

The Act defines “lobbyists” and requires such persons to register annually, to file quarterly reports, and to file statements of activity following each legislative session. Civil penalties in the form of late filing fees are authorized by the NPADA, however the NADC is granted discretionary authority to waive late filing fees under certain circumstances.²

In addition to mandates for registration and reporting, Nebraska law also forbids certain acts by lobbyists, including improper gifts to public officials and their families and staff,³ the charging of contingent fees, instigation of legislation solely for gaining employment in opposition to said legislation, bribery and threats, and any other practices “which reflect discredit on the practice of lobbying or on the Legislature.”⁴ Lobbyists who engage in these prohibited practices are subject to criminal prosecution for a Class III misdemeanor,⁵ punishable by up to three months imprisonment, a five hundred dollar fine, or both.⁶

After collecting data on the occupational regulation of Lobbyists and applying the statutory standard of review under the Occupational Board Reform Act (OBRA), it is the finding of this report that the registration scheme imposed on lobbyists by the NPADA is the “least restrictive regulation necessary to protect [...] from undue risk of present, significant, and substantiated harms that clearly threaten or endanger the health, safety, or welfare of the public when competition alone is not sufficient”⁷ and should be continued.

¹ Laws 1977, LB 4 and LB 41; Laws 1981, LB 134; Laws 1979, LB 162; Laws 1982, LB 928; Laws 1983, LB 479; Laws 1988, LB 1174; Laws 1991, LB 220 & LB 232; Laws 1994, LB 872 and LB 1243; Laws 1997, LB 752; Laws 1998, LB 632; Laws 1999, LB 7 & LB 416; Laws 2000, LB 1021; Laws 2001, LB 242; Laws 2005, LB 242; Laws 2007, LB 434; Laws 2012, LB 782; Laws 2013, LB 79; Laws 2014, LB 946; Laws 2024, LB 1104.

² Neb. Rev. Stat. §49-1488.01.

³ Neb. Rev. Stat. §19-1490.

⁴ Neb. Rev. Stat. §49-1492.

⁵ *Ibid.*

⁶ Neb. Rev. Stat. §28-106.

⁷ Neb. Rev. Stat. §84-946.

PROGRAM OPERATIONS DATA

Lobbyist registration is an undertaking of both the staff at the Nebraska Accountability and Disclosure Commission and the Clerk of the Legislature. Registration fees received by the state treasurer are credited to cash funds at NADC and the Clerk's office pursuant to Neb. Rev. Stat. § 49-1482, with one half of the proceeds going to the NADC and the other half being credited to the Clerk of the Legislature Cash Fund. On May 14, 2025, committee staff submitted its OBRA survey request to Mr. Dave Hunter, legal counsel of the NADC, and renewed this request to the NADC's new executive director, Scott Danigole on July 7, 2025. The committee received Mr. Danigole's response promptly on August 27, 2025.

The Commission's survey response indicated that there were at that time 464 lobbyists registered with the NADC. Annual registration by lobbyists is required. In the last five years, a total of approximately 4,906 lobbyist registrations have been processed. Many lobbyists are registered in relation to more than one principal.

Since this occupational regulation is a registration requirement and not a license, there is no data on denied or revoked licenses. However, NADC did note that on 347 occasions lobbyists had failed to timely file quarterly reports or statements of activities during the five-year reporting period, with \$83,400 in late fees were assessed against lobbyists. Waivers granted by the NADC reduced that amount by \$54,150. This number is substantially greater than during the previous five year period, when action was taken against 70 registrants and \$9,400 in total late fees were assessed over the reporting period, for an average late fee of approximately \$134.

NADC is an independent commission comprised of nine members, some of whom are appointed by the Governor and others by the Secretary of State. The Commission held meetings approximately every other month over the course of the five-year reporting period covered by this report.

The Commission also employs eight support staff and had an annual budget of \$1,215,279 in the 2024–2025 fiscal year. This was lower than the last reported high of \$1,476,826 in fiscal year 2015–2016. In addition to administering lobbyist registrations, the NADC utilizes its appropriated resources to conduct other activities including enforcement of Nebraska's campaign finance regulations and documentation of conflicts of interest disclosed by public officials. This budget is funded by a combination of General Fund appropriations and money from the NADC Cash Fund.

(The Commission's full survey response is attached below as Appendix A.)

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In addition to the NADC survey response, the Government, Military and Veterans Affairs Committee also conducted a public hearing on LR 194, an interim study introduced by Chairwoman Sanders to examine the occupational regulations for lobbyists for purposes of completing the committee's statutorily mandated OBRA report. That hearing was conducted on October 3, 2025, with Clerk of the Legislature Brandon Metzler and NADC executive director Scott Danigole and providing testimony on the related functions of their respective offices.

(The committee hearing transcript is attached below as Appendix B.)

COMPARISON WITH REGULATIONS IN OTHER STATES

Lobbyist registration and activities reporting are the norm across state governments and also at the federal level. The Lobbying Disclosure Act of 1995⁸ and the Honest Leadership and Open Government Act of 2007⁹ includes federal lobbyist registration and activities reporting requirements that conceptually resemble Nebraska's state system. Globally, lobbyist registration is also utilized in Canada, Australia, and many European states, with lobbyist registries first implemented in Germany in 1951, in Georgia by the mid-1990s, and more recently in nations including Lithuania, Poland, Hungary, Macedonia, France, Slovenia, Austria, and others, in a policy trend that continues today.¹⁰

In NADC's survey response, Executive Director Daley noted some differences between the regulatory regime in Nebraska under the NPADA and the laws governing professional lobbyists in other states.

Virtually every state requires those attempting to influence its legislative bodies to register as lobbyists. In Nebraska the registration becomes a requirement prior to commencing activity. Some states follow this practice. Others do not require registration until a certain dollar threshold is reached. Nebraska requires quarterly reporting of receipts and expenditures by category. No detail is required beyond the dollar amounts. A number of states require more frequent and more extensive reporting.¹¹

Nebraska is more restrictive than some other states in requiring registration by uncompensated lobbyists. Nebraska does, however, charge a substantially lower registration fee for uncompensated lobbyists than paid lobbyists.¹² Many states do not include uncompensated persons within the meaning of "lobbyist" for registration purposes, and eleven states exempt

⁸ Pub.L. 104-65, enacted December 19, 1995.

⁹ Pub.L. 110-81, enacted September 14, 2007.

¹⁰ Holman, C., Luneburg, W. "Lobbying and transparency: A comparative analysis of regulatory reform." *Int Groups Adv* 1, 75-104 (2012). [URL: <https://doi.org/10.1057/iga.2012.4>].

¹¹ Appendix A: Agency Survey Response.

¹² Uncompensated lobbyists must pay \$15 to register in Nebraska, while compensated lobbyists are required to pay \$200. *See* Neb. Rev. Stat. §49-1480.01 and 4 Neb. Admin. Code, ch. 6, §003.

even compensated persons from registration requirements if their compensation and/or expense reimbursement fall below a certain threshold amount.¹³ In Wyoming, that threshold is \$500.¹⁴

¹³ These states include Arkansas, Connecticut, Georgia, Hawaii, Indiana, Maryland, Minnesota, Michigan, Texas, Wyoming, and New York. See “Lobbyist Registration Requirements.” National Conference of State Legislatures. January 29, 2025. [URL: <https://www.ncsl.org/ethics/lobbyist-registration-requirements>]

¹⁴ *Ibid.*

REVIEW OF BASIC ASSUMPTIONS UNDERLYING CREATION OF THE OCCUPATIONAL REGULATIONS

According to the NADC survey response, the basic rationale for requiring lobbyist registration is that “members of the Legislature and members of the public should know the identity of those attempting to affect the Legislature, who they are representing and how much money is being spent in the process.”¹⁵

The legislative findings motivating enactment of the NPADA assert that it is necessary for “proper operation of democratic government that public officials and employees be independent and impartial, that governmental decisions and policy be made in the proper channels of government structure, and that public office or employment not be used for private gain other than the compensation provided by law[....] the public interest requires that the law provide greater accountability, disclosure, and guidance[.]”¹⁶

The Act’s registration and activities reporting requirements for lobbyists prompted lengthy discussion during the Miscellaneous Subjects Committee hearing conducted over the lunch hour on February 26, 1976.¹⁷ The transcript of that hearing contains sixty-nine different references to lobbyists and their regulation under the proposed legislation, and hearing testimony was provided by two senators who sponsored the bill and a dozen testifiers who believed their activities would be regulated under the Act.¹⁸ Testifiers agreed that Nebraska was not rife with corruption, but that the proposed legislation, along with a number of proposed amendments, would provide “the safety mechanisms to assure the public that there is accountability[.]”¹⁹

It is not unreasonable to conclude that corrupt acts by lobbyists and public officials are marginally less likely to occur if more information is disclosed about how lobbyists expend resources to influence legislators. But this is only the most obvious reason for lobbyist registration. Holman and Luneburg summarize the possible benefits of this form of lobbying transparency as follows:

- “preventing corruption of officials and the governmental processes in which they participate (see, for example, Warren and Cordis (2011)

¹⁵ Appendix A: Agency Survey Response.

¹⁶ Neb. Rev. Stat. §49-1402(3-4).

¹⁷ Appendix C: Committee Statement: Legislative Bill 987. Committee on Miscellaneous Subjects. 84th Nebraska Legislature, Second Session.

¹⁸ Minutes of Hearing: Legislative Bill 987. Committee on Miscellaneous Subjects. 84th Nebraska Legislature. February 26, 1976.

¹⁹ *Ibid.* at 6.

who offer an empirical study suggesting that disclosure can discourage corruption); “

- “preventing the appearance of corruption that might otherwise erode public confidence in the integrity of governmental decision making;”
- “improving the accountability of governmental officials whose actions and the possible reasons for those, once revealed, may mean they are forced to leave office or, at a minimum, change their positions in ways deemed to be more consistent with the public interest as a whole (for instance, Tovar (2011) argues, among other things, that access and disclosure of public information is an important dimension of all accountabilities (vertical, horizontal, social and transversal));”
- “allowing public officials to know who is trying to influence them or others in authority, thereby allowing them to take action to counter influences they deem inappropriate or otherwise oppose; and”
- “‘leveling the playing field’ among groups attempting to influence governmental decision making by permitting responses (that is, counter-lobbying) to counteract the efforts of those who might otherwise be able to achieve their aims more effectively ‘behind closed doors’.”²⁰

²⁰ Holman and Luneburg, *supra*.

OBRA POLICY ANALYSIS

The Occupational Board Reform Act (“OBRA”) makes several statements of policy which committees are instructed to apply as part of the regular OBRA review process.²¹

1. Does the occupational regulation protect the fundamental right of an individual to pursue a lawful occupation?

a. Analysis: The NPADA does not prohibit any member of the general public from engaging in lobbying work. It does not require personal qualifications, burdensome or otherwise, before a person may engage in this lawful occupation. As a registration requirement and mandated reporting for certain activities, the NPADA merely requires disclosure of a lobbyist’s principal and other information deemed by the Legislature to be important to its members and to members of the public.

2. Does the occupational regulation use the least restrictive regulation necessary to protect consumers from undue risk of present, significant, and substantiated harms that clearly threaten or endanger the health, safety, or welfare of the public when competition alone is not sufficient and which is consistent with the public interest?

a. Analysis: Committees completing their regular review of occupational regulations under OBRA must determine whether an occupational regulation is the least restrictive regulation necessary to mitigate the risk of harms that might otherwise result from the practice of the occupation.²² If the legislative purpose of the NPADA-mandated registration of lobbyists is to ensure regular disclosure of the identity of lobbyists and their principals to government officials and members of the public, the registration requirement appears to be the least restrictive regulation necessary to uniformly accomplish this end.

3. Is the occupational regulation enforced only against individuals selling goods or services explicitly included in the governing statutes?

a. Analysis: The registration and reporting requirements are only enforced against persons who by their conduct meet the definition of “lobbyist.” However, these requirements are also imposed on persons who are engaged in volunteer work and who are not selling any services.

²¹ See Neb. Rev Stat. §§84-946 and 84-948(7)

²² Neb. Rev. Stat. §§84-937 and 84-948(4)

4. Is the occupational regulation construed and applied to increase opportunities, promote competition, and encourage innovation?

a. Analysis: Regulatory requirements are generally more burdensome for smaller business operations than big ones, when the burden is measured based on cost per employee.²³ There is no reason to believe that this is not true in the context of lobbying registration and reporting requirements in Nebraska. With that said, the registration and activities reporting forms used for NPADA compliance by lobbyists in Nebraska are not lengthy documents, and smaller operators with fewer clients and more minimal lobbying activities are required to submit fewer filings accordingly. The occupational regulation of lobbyists under the NPADA does not appear to be anti-competitive. While the total number of lobbyists annually registering under the Act has remained reasonably stable in recent years, anecdotal evidence observed by the Committee suggests that new lobbyists in Nebraska are regularly able to enter the profession.

²³ See Crain, Nicole V., Crain, Mark W. "The Impact of Regulatory Costs on Small Firms." Small Business Administration, Office of Advocacy. September 2010. p. 52.

APPENDIX A: AGENCY SURVEY RESPONSE

General Information

- Committee of Jurisdiction: Government, Military and Veterans Affairs
- Occupation Regulated: Lobbying
- Occupational Board: Accountability and Disclosure Commission
- Contact: Scott Danigole
- Purpose: This is not a licensing process, but a registration process. The rationale is that members of the Legislature and members of the public should know the identity of those attempting to affect the Legislature, who they are representing and how much money is being spent in the process.
- Regulated Professionals: 464
- Year Created: 1976
- Year Active: 1977
- Sunset Date: None

Authorization

- Statutory Authorization: Section 49-14,105
- Parent Agency: None

Memberships

- Number of Members: There are 9 commission members of the NADC including the Secretary of State, who is an *ex officio* member.
- Who Appoints: 4 appointed by the Governor and 4 by the Secretary of State
- Legislative Approval: Yes
- Qualifications of Members: Of the appointed members, no more than 4 from any one political party and no more than 3 from any one Congressional District.
- Per Diem: No
- Expense Reimbursement: Yes
- Term Length: 6 years
- Terms Rotate or Expire at Once: Terms Rotate

Meetings	
● Required FY 2024-2025:	0
● Held FY 2024-2025:	5
● Required FY 2023-2024:	0
● Held FY 2023-2024:	5
● Required FY 2022-2023:	0
● Held FY 2022-2023:	6
● Required FY 2021-2022:	0
● Held FY 2021-2022:	5
● Required FY 2020-2021:	0
● Held FY 2020-2021:	6
Operations	
● Support Staff:	8 (soon to be 9)
● Shared or Separate:	Separate
● FY 2020-2019 Budget:	1215279
● FY 2019-2018 Budget:	996222
● FY 2018-2017 Budget:	1055799
● FY 2017-2016 Budget:	880080
● FY 2016-2015 Budget:	970802
● Other Funding Sources:	General Fund and NADC Cash Fund
● Spending Authority:	Legislative appropriation
Other	
● Government Certificates Issued:	1049
● Issued Certificate Descriptions:	In the last 5 years lobbyist registrations have been: 2021: 875, 2022: 936, 2023: 980, 2024: 1,063, 2025: 1,052. All registrations expire on December 31 each year.
● Government Certificates Revoked:	0
● Revoked Certificate Descriptions:	None were revoked. This is a registration process.
● Government Certificates Denied:	0
● Denied Certificate Descriptions:	None were denied. This is a registration process.
● Government Certificates Penalties Against:	347

- Penalty Certificate Descriptions: \$83,400 in late fees have been assessed against lobbyists. Of those assessments, waiver reductions totaling \$54,150 were granted. By operation of law, lobbyists who fail to timely file quarterly reports or statements of activity are assessed a late fee of \$25 per day, not to exceed \$750 per filing.
- Explanation of Effectiveness: The rationale behind the registration law is that members of the Legislature and members of the public should know the identity of those attempting to affect the Legislature, who they are representing and how much money is being spent in the process. Every year this information is available on the Nebraska Legislature website.
- Potential Harm: Members of the Legislature and public would have difficulty identifying those attempting to affect the Legislature, those they represent and how much money is being spent in the process.
- Regulation Comparison: Virtually every state requires those attempting to influence its legislative bodies to register as lobbyists. In Nebraska the registration becomes a requirement prior to commencing activity. Some states follow this practice. Others do not require registration until a certain dollar threshold is reached. Nebraska requires quarterly reporting of receipts and expenditures by category. No detail is required beyond the dollar amounts. Several states require more frequent and more extensive reporting.
- Subject to Regulations of Act (LB407): No.

APPENDIX B: HEARING TRANSCRIPT, LR 194
Government, Military and Veterans Affairs Committee
October 3, 2025

ANDERSEN: Good morning, and welcome to the Government, Military and Veterans Affairs Committee. I'm Senator Andersen from Omaha, representing the 49th Legislative District, and I serve as the vice chairman of this committee. The chair, Senator Sanders, is not able to be with us this morning. The committee will take up the resolutions in the order posted. For those of you who may be joining us for the first time, interim study resolutions are introduced by senators who believe that the Legislature should investigate certain topics that may be the subject of future legislation. The Government Committee is here today to receive information about these topics. We will begin with the introducing senator's opening statements, followed by invited testifiers, and then the senator's closing remarks if they wish to give them. If you're planning to testify, please fill out one of the green testifier sheets there on the table in the back of the room. Be sure to print clearly and fill it out completely. When it is your turn to come forward to testify, give the testifier sheet to the pages or to the committee clerk. When you come up to testify, please speak clearly into the microphone, tell us your name, and spell your first and last name to ensure we get an accurate record. We will not be using a light system today. Questions from the committee may follow. Also, committee members may come and go during the hearing. This has nothing to do with the importance of the resolutions being heard. It is simply part of the process, as senators may have resolutions to introduce in other committees. A few final items to facilitate today's hearings. If you have any handouts or copies of your testimony, please bring up at least 12 copies and give them to the page. If you don't have enough copies, the page will make sufficient copies for you. Please silence or turn off your cell phones. You may see the committee members using their electronic devices to access more information. Verbal outbursts and applause are not permitted in the hearing room. Such behavior may be cause for you to be asked to leave the hearing. Finally, committee procedures for all committees state that written position comments on a resolution must be submitted by 8 a.m. the day of the hearing, the only acceptable method of submitting is via the Legislature's website at nebraskalegislature.gov. I will now have the committee members with us today introduce themselves, starting with my right.

J. CAVANAUGH: John Cavanaugh, District 9, midtown Omaha, the best district in the state of Nebraska.

LONOWSKI: Senator Dan Lonowski, District 33, which is Adams County, Kearney County, and rural Phelps County.

WORDEKEMPER: Dave Wordekemper, District 15, Dodge County, western Douglas County.

ANDERSEN: Also assisting the committee today to my left is the legal counsel, Dick Clark, and to my far left is our committee clerk, Julie Condon. We have two committee clerks acting as pages, Cori and Connie, assisting us today. Thank you very much. With that, we will begin today's hearing with LR194. Dick Clark will be conducting the opening. Mr. Clark, welcome to the committee.

DICK CLARK: Thank you, Vice Chair Andersen, members of the Government, Military and Veterans Affairs Committee. My name is Dick Clark, D-i-c-k C-l-a-r-k, and I am the committee legal counsel for this committee. Do have a couple of handouts, if I can impose on our stand-in pages. So Senators, the reason that we are here in this hearing today, really goes back to a bill that was passed in 2018, a bill was introduced by my former employer, Senator Laura Ebke, called the Occupational Board Reform Act. That was a multiyear effort to set a standard in Nebraska law that says that regulations on people's working should only be there to protect the public safety or other important public interests, and that we should have the least restrictive means possible of regulating occupations because we want to make it easier to work in Nebraska and be productive. And so, less red tape is a good thing if that red tape is not serving a necessary purpose. Now certainly in some occupations, you can understand immediately what the danger would be of an unqualified person. An unqualified neurosurgeon can do a lot of damage in a really short space of time, right? Some occupations, it's not quite as clear. And for most of these occupations, in fact, all of them, there's either some board or commission or a department within a state agency-- some other state agency-- that rides herd on the profession, that runs whatever those regulatory programs are, whether it's a license or a registration. But what I've distributed to you is the standard, the policy that was set by the Occupational Board Reform Act that I mentioned about that least restrictive regulation. And then, I've also given you the data that's been provided by one of our specialist commissions-- the Nebraska Accountability and Disclosure Commission is one of the parts of our state government that regulates the profession that we're here at this hearing to talk about, which is the profession of lobbying. So you have Mr. Scott Donigole, who is the new executive director of the Nebraska Accountability and Disclosure Commission, and his office prepared the data that you see on the-- it's, it's 3 pages, 2 sheets of paper, a handout that's titled Occupational Board Reform Act. This is a report that they've already submitted to help this committee prepare a report that we have to put out by the end of the year. So, all occupational regulations have to be reviewed on a rolling 5-year basis. We reviewed lobbyists about 5 years ago. Now it's back up in the cycle. So that's what we're here to do. Hopefully, this committee results in-- excuse me-- this hearing results in this committee being a little more knowledgeable about a subject matter within its jurisdiction and you get to know some of the faces of the people involved in regulating the profession of lobbyists. I'd be happy to answer any questions.

ANDERSEN: Thank you, Mr. Clark. Are there questions for Mr. Clark? Thank you.

DICK CLARK: Thank you.

ANDERSEN: The first in-- invited testifier is the distinguished Brandon Metzler, Clerk of the Legislature. Mr. Metzler, welcome to the Committee on Government, Military, and Veteran Affairs.

BRANDON METZLER: Thank you, Mr. Chairman, members of the committee. My name is Brandon Metzler, B-r-a-n-d-o-n M-e-t-z-l-e-r, Clerk of the Nebraska Legislature. The role that the Clerk's Office plays is minor, but I think important in terms of the lobbying process. We are kind of the clearinghouse, the repository for all lobby applications. So what will happen is when somebody registers to be a lobbyist, they will go online to a form, they go on, on the website, and we have a database in which they will put in all of their information, name, you know, of the principal who they're representing, you know, their, their address, any contact information, whether they're compensated or non-compensated-- that affects how much they paid to register. We are kind of the-- just the first pass at, at registering these individuals. All that information is then given to the Accountability and Disclosure Office for purposes of actual regulation or, you know, going through their processes. Ours is mostly just an ad-- ad-- administrative function, as is most of our functions. I will say just a little bit of background, and then Scott will give probably the broader background of, of lobbying regulation. But in terms of what we have done as of late, we have-- 2023-- 2024, we did raise the, the lobby registration fee \$100, so it was \$50 up until the '90s. After-- in the early '90s, we raised it to \$100. In the early 2000s, we raised it to \$200, and then just, again, in 2024, it was bumped another \$100. And that split, it used to be 75% to Accountability and Disclosure and 25% to the Clerk's Office. We now split that 50-50. The impetus for that was we, because of your gracious allowance of a 15% raise for our lobby registration clerk, as you did many-- all of the legislative employees, we were taking funds out of our, our cash fund, our lobby registration cash fund quicker to pay that salary. So this offset that and it allowed us, in addition, to reach out to the lobby, provide them benefits, with it being their money that they're pooling together. We got them a dedicated-- as long as you're a registered user, they have access to a Wi-Fi network now in hearing rooms, so they can do their work there. We're working on a, a coat room for them, storage lockers, that sort of a thing-- comfier benches in the, in the Rotunda. You know, we put out a lobby survey and said how can we serve you because you are, in fact, the ones that are putting the, the funds into that lobby cash, cash fund. So that's the most recent thing that, that we, as the Clerk's Office, have done. I'm welcome to take any questions if there's anything from the lobby, but as I said, ours is ad-- administrative in nature. We just are kind of that first pass at, at registering.

ANDERSEN: Thank you, Mr. Metzler. Are there any questions for the Clerk? Senator Cavanaugh.

J. CAVANAUGH: Thank you, Vice Chair. Thanks for being here, Mr. Metzler. Sorry. So it was \$500, went up to \$100, and then it's \$200?

BRANDON METZLER: I'm sorry. Did I say \$5? \$50. \$50.

J. CAVANAUGH: I'm sorry. No, I wrote it--

BRANDON METZLER: Yeah.

J. CAVANAUGH: You, you said \$50. I, I misspoke.

BRANDON METZLER: Yeah, I can get you the exact numbers here.

J. CAVANAUGH: So it's \$200 now. And then it's--

BRANDON METZLER: \$300 now.

J. CAVANAUGH: Oh, I'm sorry, \$300. That's what--

BRANDON METZLER: From 1965-- oh, I'm sorry, not \$50, \$5. It was \$5 from 1965 until 1995, in which in 1995 it was raised to \$100. 2006, it was bumped to \$200. 2024, it was bumped to \$300, where it currently stands.

J. CAVANAUGH: And is that a registration per lobbyist themself or per client?

BRANDON METZLER: That I would have to look, but I believe compensated, it's per lobbyist.

J. CAVANAUGH: Per lobbyist. And then you just sort of said compensated. There are some folks who register as lobbyists on behalf of somebody but are not paid as a lobbyist.

BRANDON METZLER: Correct. And that has maintained that \$15 for noncompensated, yes.

J. CAVANAUGH: Do you have an idea of how many lobbyists there are in each category?

BRANDON METZLER: I, I know we're just over 400 registered lobbyists and we're just over 700 unique principals, I believe. I can get you the exact numbers, but we're somewhere around-- or I'm sorry. Do I have that backwards?

J. CAVANAUGH: I don't know.

BRANDON METZLER: Yeah, yeah. We have 400 individuals that are registered to lobby, just over 400. And of those 400, they represent 700 unique organizations, entities, et cetera.

J. CAVANAUGH: So some lobbyists represent more than one entity?

BRANDON METZLER: Correct.

J. CAVANAUGH: OK. That's what-- makes sense.

BRANDON METZLER: And, and I should say that's 400 principals. Those principals could have multiple registered lobbyists within, you know, the lobbying group. So actual-- those that are lobbying, the number is much higher.

J. CAVANAUGH: So principal is-- so lobbyist is a person. A principal is a company that has a group of lobbyists, or is it a entity for which someone lobbies?

BRANDON METZLER: The principal is the bigger organization, and then a lobbyist is within that principal. You can-- you know, we have 4-- over 400 principals, but more lobbyists than principals because the lobbyists are individuals within the principal that are registered to lobby.

J. CAVANAUGH: All right. I think I follow you. And then there are 700 entities that are, in some way--

BRANDON METZLER: Represent.

J. CAVANAUGH: --having somebody represent them at the Legislature.

BRANDON METZLER: Yes, sir.

J. CAVANAUGH: OK. And are you the right person to ask, what is the obligation at which point somebody should be registered as a lobbyist?

BRANDON METZLER: I, I would defer that to Accountability and Disclosure. They're kind of the litmus test on, on that.

J. CAVANAUGH: OK. And then you talked about some of the stuff the money is used for. Are there things on this-- like do people want to see more? Are they asking for more than what's already been provided?

BRANDON METZLER: I, I don't-- for a long time we didn't ask, so we didn't know. It was just, you know, we took in the money and, and we kind of just held it and used it for paying, you know, persons and, and upgrades to the technology for lo-- for the lobby. This year is the first year after session we actually put out a survey to lobbyists to hear. There's, you know, a number of things that they'd like to do. That's gonna be conversations with yourselves, the Executive Board on what's possible. You know, some state houses have dedicated lobby rooms, give them, you know, badges, I-- ID badges that allow them to scan in, that sort of a thing. Those are conversations that, that we can have at, at the legislative level, but there are several ideas out there of potentially benefits for the lobby.

J. CAVANAUGH: OK. Thanks.

BRANDON METZLER: Yeah.

ANDERSEN: Are there any other questions for Mr. Metzler? Thank you very much for your time.

BRANDON METZLER: Thank you.

ANDERSEN: Now we'd like to invite Mr. Scott Danigole, the Executive Director of the NADC. Welcome to the, welcome to the Government, Military and Veterans Affairs Committee.

SCOTT DANIGOLE: Morning, Vice Chair Andersen and members of the committee. My name is Scott Danigole, S-c-o-t-t D-a-n-i-g-o-l-e. I'm the executive director of the Nebraska Accountability and Disclosure Commission. As Dick said, I'm, I'm fairly new to this position, so be gentle. The NADC is covered by the-- covered under the Occupational Board Reform Act because of our registration and reporting requirements for lobbyists. To be clear, our process is not a licensing one, it's a registration process. It's important that the public can identify those individuals who are attempting to affect the Legislature and any legislative matters. Equally important is the identity of the principals involved. That would be the groups or businesses that lobbyists represent and how much money is being spent. Senator Cavanaugh, to your question, it could be a business that is the principal. It could be an organization. So, for example, the farm association, they could be the principal as long as they have a lobbyist working on their behalf. Mutual of Omaha as a business could have a lobbyist working on their behalf, so it could either of those entities. Lobbyists register online through the Clerk of the Legislature every year. All registrations are due by December-- or they're-- expire December 31 each year. In 2025, there were 1,052 registered lobbyists in Nebraska. That includes compensated and uncompensated lobbyists. For comparison purposes, in 2021, that number was 875. The number of registered lobbyists increases each year, approximately a 5-7% increases in registrations is what we see year over year. Lobbyists are required to file quarterly

financial statements and reports of activity with our office. The NADC can assess late filing fees of \$25 per day, up to a maximum of \$750 if those reports and filings come in late. There are certain circumstances under which we may reduce or waive those fees, for example, if there's been no fee imposed in the last two years, if the, the income and expenditures of the lobbyists are beneath the \$5,000 threshold in a reporting period, those types of things. To date, for 2025, we've collected-- or we've had 8-- \$83,400 in late filing fees, those that have been assessed, however the waivers and reductions to that amount totaled \$54,150. We're not out to get anybody, we just want to make sure that people and lobbyists are filing their, their forms in a timely manner. So you can see that the, the waiver of fees is a significant portion of what's been assessed. We did see one significant change to our statutes in 2025, with the passage of LB644. It was Senator Bostar's bill. This is the Foreign Adversary and Terrorist Agent Registration Act. That bill requires lobbyists and any consultants to disclose whether they're acting on behalf of a Chinese military company before they commence their lobbying activity. Fail-- failure to disclose that is subject to a civil penalty of up to 5 thou-- I'm sorry-- \$100,000. Any subsequent violation, the penalty increases by \$100,000, so this second violation would be a \$200,000-- up to a total of a million. The civil penalties are remitted to the Permanent School Fund, according to Article, Article 7, Section 5 of the constitution. And LB644's operative date was 2 days ago, October 1, 2025. Commission's work is an important part of ensuring transparency and accountability as it relates to lobbying in Nebraska. We're grateful for the continued support of the Legislature and this committee. If you have any questions I'd be happy to answer them.

ANDERSEN: Thank you, Mr. Danigole. Any questions for Mr. Danigole? Yes, Senator Cavanaugh.

J. CAVANAUGH: Thank you, Vice Chair. Thanks for being here. And congratulations on when-- you started the new job since the last time we were all here, I think.

SCOTT DANIGOLE: July 1st.

J. CAVANAUGH: July 1st. I have a few questions and I'll just sort of start with the backwards part. So LB644 requires a lot of folks, not just registered lobbyists, but-- to, to file.

SCOTT DANIGOLE: Correct.

J. CAVANAUGH: And they're required not to file with NADC though, right?

SCOTT DANIGOLE: Correct. The lobbyists, when they're filling out their registration with the Clerk of the Legislature, there's a check box if you're representing a Chinese military organization. But consultants are also included in the LB644 language.

J. CAVANAUGH: And-- but consultants don't register with the Legislature?

SCOTT DANIGOLE: Correct. Not with us.

J. CAVANAUGH: So where are they required to disclose this?

SCOTT DANIGOLE: I don't know.

J. CAVANAUGH: OK.

SCOTT DANIGOLE: It's not within our, our framework. And I'm not sure if the Clerk of the Legislature would be able to have them file as lobbyists, since technically they're not.

J. CAVANAUGH: But also every business entity in the state of Nebraska has to register, as well, and disclose, even if they're-- whether they engage with the Legislature or not, right?

SCOTT DANIGOLE: If they're performing lobbying activities. That's a-- it's a standard part of our form now, that you're, you're attesting that you are not representing a Chinese military organization.

J. CAVANAUGH: But you're, you're not aware of whether other entities, in addition to ones that you're not subject to regulate.

SCOTT DANIGOLE: Correct, that's--

J. CAVANAUGH: OK.

SCOTT DANIGOLE: That's outside of our framework.

J. CAVANAUGH: So since this went into effect, has anybody actually registered as a foreign agent yet?

SCOTT DANIGOLE: No. In, in the last 2 days? No, Senator.

J. CAVANAUGH: OK. Has anybody been required to file any paperwork yet, or, or does that--

SCOTT DANIGOLE: Well--

J. CAVANAUGH: Would somebody who has not registered as an agent be in, in-- you know, in violation of that law now?

SCOTT DANIGOLE: They could be. The-- our C-1, our Statements of Financial Interest, we've updated that form. So if anyone has filed their C-1 form, and that would be your individual Statement of Financial Interest, if anyone has filed that form and, and checked or not checked the box inappropriately, they would be subject to, to the provisions of LB644.

J. CAVANAUGH: OK.

SCOTT DANIGOLE: And again, we're not out to get anybody. If we see someone has checked the box and think, no, you shouldn't have, we'll contact them and make sure that they've, they've correctly filed their form.

J. CAVANAUGH: But I guess my question is, are there folks-- so the, the time in which you need to disclose that is when you file your C-1 then?

SCOTT DANIGOLE: If you're filing the C-1 as far as lobbyist registration, it would be when you register with the Clerk of the Legislature.

J. CAVANAUGH: OK. It's--

SCOTT DANIGOLE: So that would begin, beginning of January.

J. CAVANAUGH: OK. That's what I'm trying to figure out, is if somebody could be a, a-- acting as a foreign agent and not be required to have disclosed that yet.

SCOTT DANIGOLE: Correct.

J. CAVANAUGH: OK. And so I wanted-- you touched on the late fees, the 50, or no. Is it \$53,000?

SCOTT DANIGOLE: The \$53,000 was the amount of the--

J. CAVANAUGH: [INAUDIBLE].

SCOTT DANIGOLE: --reductions.

J. CAVANAUGH: OK, \$83,000 is the--

SCOTT DANIGOLE: \$83,400. That was the total assessed.

J. CAVANAUGH: And what does that go to? What is that money used for?

SCOTT DANIGOLE: That goes to the Accountability and Disclosure Cash Fund. We use it for general operations of the office.

J. CAVANAUGH: OK. Sorry. They're passing me notes because I'm probably asking too many questions already. Oh, OK. Yeah. And-- oh, I know. The question I did want to ask you, so you said there are 1,052 registered lobbyists, both paid and unpaid.

SCOTT DANIGOLE: Paid and unpaid.

J. CAVANAUGH: Paid and unpaid. At what point does somebody cross the line from a citizen to being required to register as a lobbyist, whether they're paid or not?

SCOTT DANIGOLE: If you're a citizen, for example, testifying before a committee, you're not lobbying. If, however, you are working with a senator's office or a committee and you're trying to impact the legislation that's being introduced and change what the nature of that is, you would then be lobbying and you would need to file your registration.

J. CAVANAUGH: So if I have a constituent who emails me regularly with specific suggestions about a bill, that person should register as a lobbyist?

SCOTT DANIGOLE: No.

J. CAVANAUGH: OK.

SCOTT DANIGOLE: No, they-- they're not working for a principal. They're not working on behalf of someone else. They're working on their own initiative as a private citizen.

J. CAVANAUGH: OK. So if somebody's working on their own behalf, but if somebody, say, you know-- we have-- people come down with like church groups on their lobby day type of thing.

SCOTT DANIGOLE: Yes.

J. CAVANAUGH: And they're-- in that instance, are they lobbying on behalf of that group?

SCOTT DANIGOLE: If they're working-- and I'll use this phrase generally and lightly-- if they're working behind the scenes to impact the legislation, if they are lobbying and the organization-- let's, let's assume it's XYZ Church. And the XYZ Church has said, would you go and, and lobby for us and talk to the senators in the committee? They would then be considered a lobbyist and need to file, presumably, in that case, a noncompensated lobbyist filing fee of \$15.

J. CAVANAUGH: OK.

SCOTT DANIGOLE: So if you're working on behalf of an organization or an entity to impact legislation in the state of Nebraska, you are considered a lobbyist.

J. CAVANAUGH: So, I guess I'm trying to understand when-- the distinction between a citizen, you know, somebody who has, has-- you know, is exercising their own freedom--

SCOTT DANIGOLE: Sure.

J. CAVANAUGH: --of speech or whatever to-- or their opportunity to redress the government, and when they are then required to then register. Because it sounds to me like what you're saying is if you, if you engage in more than just reaching out to your senator or any senator, then you'd be required to [INAUDIBLE] register.

SCOTT DANIGOLE: If you're doing that on behalf of someone else.

J. CAVANAUGH: OK.

SCOTT DANIGOLE: On behalf of the principal.

J. CAVANAUGH: So--

SCOTT DANIGOLE: So if, if you're reaching out to another senator and it's-- you're reaching out because your neighbor has some issue, you're not lobbying.

J. CAVANAUGH: OK. And what if you-- I, I guess I'm trying to make sure-- I'm trying to understand the distinction if somebody's part of an organization that is an advocacy group. I mean, there are all kinds of groups that--

SCOTT DANIGOLE: Sure.

J. CAVANAUGH: --come-- you know, can use like, you know, Farmers at the Capitol Day or something like that. Are they-- is an individual who comes at Farmers on the Capitol Day come-- coming on behalf of the industry because they are recruited to come and testify and to pull senators off the floor to talk, or are they on their own behalf? Is-- when does it cross over?

SCOTT DANIGOLE: They're on their own behalf. They're working on, they're working on an issue with which they're associated, but the Farmers for America or Farmers for Nebraska, they have not engaged them to-- to work on lobbying efforts.

J. CAVANAUGH: Even if they recruited them to come down for the day and provided the bus or something like that?

SCOTT DANIGOLE: Correct.

J. CAVANAUGH: OK. All right. Thank you. I might have other questions if [INAUDIBLE] one, but.

ANDERSEN: Yes, Senator Word-- Senator Wordekemper.

WORDEKEMPER: Thank you for being here. Do you have to reside in Nebraska to be a lobbyist and register here? OK.

SCOTT DANIGOLE: No, you, you have to be working on Nebraska legislative issues.

WORDEKEMPER: OK. Thank you.

ANDERSEN: Are there any other questions? Senator Cavanaugh.

J. CAVANAUGH: I-- I'll bug, bug you on my own time.

SCOTT DANIGOLE: Yeah. Feel free, give me a call, send me an email.

ANDERSEN: Mr. Danigole, thank you very much for your time.

SCOTT DANIGOLE: Thank you very much.

ANDERSEN: There will be no close for this. So we will close-- no closing statement, I should say. So at this point, we'll close on LR194. And for the record, there was one neutral comment made online. At this point, we'll close LR194, and we'll proceed to LR195.

APPENDIX C: COMMITTEE STATEMENT, LB 987 (1976)

Miscellaneous Subjects Committee

LB 987 - Introduced by Executive Board

Public Hearing on 26 February 1976

INTENT - LB 987 is a comprehensive act setting up disclosure and accountability procedures concerning campaign finance, lobbying activities, and conflicts of interest. A Nebraska Political Accountability and Disclosure Commission is established to administrate and facilitate the various provisions contained in the act. Sections 1 through 44 set forth the definitions to be used throughout the act.

Sections 45 through 80 establish requirements for the financing of political campaigns. Candidates for public office must form candidate committees with a designated treasurer to authorize all contributions and expenditures through an official depository. Provisions are also included for committees supporting ballot question and for political party committees. All committees must file statements of organization and periodic campaign statements with the Commission as well as with the appropriate election commissioner or county clerk. In general, the campaign statements list the total expenditures and receipts with itemization and identification of contributions exceeding \$100. Similar information must also be provided concerning fund raising events, with identification on contributions exceeding \$25. Certain limits are also placed on contributions: contributions not made exclusively by the giver shall be so identified, separate reports are required for business, labor, trade and professional contributions (with an exception for political education funds), a \$50 limit is placed on cash contributions, and various other prohibitions are made against contributions which are anonymous, misidentified, or insufficiently identified. A separate provision is included for those wishing to make independent expenditures advocating a candidate or ballot question.

Sections 81 through 93 address disclosure and reporting requirements for lobbying activities. Lobbyists must register each regular session with the Clerk of the Legislature to supply the Clerk with information concerning the nature of their lobbying activities and must supply detailed financial statements monthly while the Legislature is in session and once during the interim. Lobbyists must also submit a statement of legislation acted upon during each regular

session of the Legislature and maintain adequate financial records to substantiate figures supplied in their official reports. Organizations formed primarily for lobbying purposes must submit a list to the Clerk of all individuals supporting the organization, and those not formed primarily for this purpose shall file the names of the officers and directors of such organization. Prohibitions are also placed against certain lobbying actions including giving gifts to executive or legislative officials, making false or misleading statements to such officials, and offering fees, future employment, or other financial incentives for certain legislative or administrative actions.

Sections 94 through 106 concern conflict of interest provisions for insuring the independence and impartiality of public officials. Officials must file statements of financial interest with the Commission which designate business associations as well as information concerning business relationships, real property and certain credit situations amounting to \$1,000 or more, or gifts received from individuals and businesses exceeding \$100. Any person who has questions concerning a possible conflict of interest may apply to the Commission for an advisory opinion.

Sections 107 to 131 establish the Nebraska Political Accountability and Disclosure Commission. The Commission is composed of 8 members, including the Governor and Secretary of State, with three other members appointed by the Governor and three by the Secretary of State. All Commission members are confirmed by the Legislature. The Commission can appoint an Executive Director and staff and make investigations and audits of campaign statements and other prescribed disclosures and reports. The Commission may also conduct preliminary investigations concerning any violations and may commence civil or criminal prosecution, with the Attorney General and appropriate county attorney.

SUPPORTING TESTIMONY - Senators Roland Luedtke and Frank Lewis, on behalf of the Executive Board, explained the intent of LB 987 to provide a comprehensive act, promoting openness, honesty and fairness in Nebraska government. They noted that LB 987 was patterned after a citizen's initiative under the leadership of the Coalition for Open Government, but they also indicated that several changes and adaptations had been made in it. The following persons also expressed

support for LB 987: Mike Muscheites of the Mid-America Lumbermens Association, John L. Sullivan of the Nebraska New Car Dealers Association, Margaret Sutherland, representing the League of Women Voters of Nebraska, Delbert Stromer of the Little Blue NRD, Peter Hoagland and Normal Turrill of Nebraska Common Cause, Gordon Simmons of the Nebraska Lutheran Legislative Caucus, Tom Stevenson, citizen from Seward, Al Fagerstrom of the Sierra Club, William Brandt of the Nebraska Bankers Association, George T. Wruck of the Retail Merchants Association of Omaha, Lloyd W. Herbener of the Nebraska Republican Party, Arnold Ruhnke of the Nebraska County Officials Organization and Jim Preston of the Nebraska Motor Carriers Association.

OPPOSITION TESTIMONY - None

COMMITTEE AMENDMENTS - Committee amendments were adopted to make the effective dates of the act to July 1, 1976 for establishment of the Commission and 1 July 1977 for the remainder of the act. The Commission membership and appointment procedures were also amended. The Governor and Secretary of State would automatically be members of the Commission and each of them would appoint three other members, with confirmation of all of the members by the Legislature. The Legislature would submit two lists to the Governor for two of the members while a third member would be selected by the Governor from the citizenry at-large. The Secretary of State would select one member each from lists submitted by the Republican and Democratic parties and one member from the citizenry at-large. Other provisions are designed to include impartiality and balance in the selection process, to provide for the organization of the Commission and for a \$50 per diem for actual and necessary expenses. Amendments are included to insure that definitions for lobbying and lobbyist do not include those individuals who only wish to represent themselves. An amendment was also approved to clarify the list of those who are required to file a statement of financial interests.

COMMITTEE ACTION - Senator F. Lewis made a motion, seconded by Senator Skarda, to advance LB 987 to General File. Voting aye: Senators Anderson, Barnett, F. Lewis, Mahoney, Luedtke, Nichol and Skarda. Not voting: Senator Murphy.

11.3.70
Date


Gary L. Anderson, Chairman