

ONE HUNDRED NINTH LEGISLATURE - SECOND SESSION - 2026
COMMITTEE STATEMENT
LB575

Hearing Date: Thursday February 20, 2025
Committee On: Revenue
Introducer: Hallstrom
One Liner: Change provisions relating to the Property Tax Request Act and property tax levy limits

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

Vote Results:

Aye:	7	Senators von Gillern, Bostar, Ibach, Jacobson, Kauth, Murman, Sorrentino
Nay:		
Absent:	1	Senator Dungan
Present Not Voting:		

Testimony:

Proponents:

Senator Bob Hallstrom
Doug Kagan
Nicole Fox
Bruce Bohrer

Representing:

Opening Presenter
Nebraska Taxpayers for Freedom
Platte Institute
Lincoln Chamber of Commerce

Opponents:

Jon Cannon
Patrick Brown
Kyle Fairbairn

Representing:

Nebraska Association of County Officials
City of Grand Island, Greater Nebraska Cities
Greater Nebraska Schools Association, Nebraska
Council of School Administrators, Nebraska Rural
Community Schools Association
United Cities of Sarpy County, City of Papillion
Lancaster County
League of Nebraska Municipalities
Nebraska Association of School Boards
Nebraska Association of Resources Districts

David Black
Dennis Meyer
Lynn Rex
Colby Coash
Dean Edson

Neutral:

Representing:

* ADA Accommodation Written Testimony

Summary of purpose and/or changes:

LB575 limits political subdivisions' ability to increase property taxes when property valuations exceed the valuations from the previous year. The bill would limit the amount of property taxes collected to the same amount collected the



previous year unless overridden by a two-thirds majority vote of the governing body. The bill also moves the joint public hearing window from September to July, to allow more time to adjust budgets following public input. These joint public hearings are required whenever a political subdivision is seeking to exceed the allowable growth percentage in its property tax request.

Section-by-Section Summary:

Section 1: Amends section 77-1633 to move the window for a joint public hearing on increasing the property tax request to July 14 through July 24. Previously the window was from September 14 through September 24. Adjusts the notice deadline to July 4 from September 4.

Section 2: Amends section 77-3442 to add a subsection to limit a political subdivision's ability to increase levies in the event that total taxable valuation of property exceeds the valuation from the previous year. Political subdivisions may only collect the exact same amount of property taxes as the previous year and must adjust the levy to meet that amount. This levy can be overridden by a two-thirds majority vote of the governing body of the political subdivision.

Section 3: Repealer.

Section 4: Emergency clause.

Explanation of amendments:

AM 1977 is a white copy amendment which strikes the original sections of LB 575 and replaces them with the following new sections.

Section 1: Amends section 77-1315 by adding specific language that details what information is needed on the notice of preliminary valuation that is sent out to taxpayers on June 1.

Section 2: Amends section 77-1502 by adding language requiring taxpayers who wish to protest their valuations to provide documentation to the county board of equalization.

Section 3: Amends section 77-1601 by replacing references to the Property Tax Request Act with a reference to section 77-1632, regarding property tax requests certified under such section.

Section 4: Amends section 77-1632 by adding language clarifying the definition of "property tax request." Also requires a two-thirds majority vote for any political subdivision to exceed the amount of the previous year's property tax request.

Section 5: Creates a new statute to require counties, cities, and school districts levying a tax on property within a county to hold a joint public hearing on the topic of budget process and preliminary information on budget impacts. At least one voting member of each political subdivision shall be in attendance at these hearings. Hearings will be held between July 1 and July 15 after 6:00pm and must be held prior to the filing of the adopted budget statements. Organizing the hearing and preparing a report of the hearing shall be the responsibility of the county clerk. Representatives of political subdivisions shall be required to brief the public on the budget process, budget impacts on property tax requests, the prior year's budget and property tax request, and any information that may impact the current year's budget. The public will be allowed to speak at the hearing.

Section 6: Amends section 77-1776 by replacing references to the Property Tax Request Act with a reference to section 77-1632, regarding proceeds of a levy in excess of that requested under such section.



Section 7: Repealer.

Section 8: Outright repealer of the following sections: 77-1630, 77-1631, 77-1633, and 77-1634 which are all the sections of the Property Tax Request Act except section 77-1632 which is retained as amended by this bill.

R. Brad von Gillern, Chairperson

